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PROGRAMME AND BUDGETS 2016-2017*

Proposals of the Director General

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Abbreviations

ASHI	After-service health insurance
AUC	African Union Commission
CEB	United Nations System Chief Executives Board for Coordination
CTBTO	Preparatory Commission for the Comprehensive Nuclear-Test-Ban Treaty Organization
EGM	Expert group meeting
ERP	Enterprise resource planning
FAO	Food and Agriculture Organization of the United Nations
GEF	Global Environment Facility
GIS	Geographic information system
GS	General Service staff category
HRM	Human resource management
IAEA	International Atomic Energy Agency
ICSC	International Civil Service Commission
ICT	Information and communications technology
IDDA	Industrial Development Decade for Africa
IGO	Intergovernmental organization
ILO	International Labour Organization
IRPF	Integrated results and performance framework
ISID	Inclusive and sustainable industrial development
ITMA	Industry, trade and market access
IWG	Informal working group on the future, including programmes and resources, of UNIDO
LDC	Least developed country
MEA	Multilateral environmental agreement
MSME	Micro, small and medium enterprise
MTPF	Medium-term programme framework
NEPAD	New Partnership for Africa's Development
NGO	Non-governmental organization
ODS	Ozone depleting substances
PCOR	Programme for Change and Organizational Renewal
PCP	Programme for Country Partnerships

PMO	Policymaking organs
PQD	Price, quality and delivery
POP	Persistent organic pollutant
QCPR	Quadrennial comprehensive policy review of operational activities for development of the United Nations system
RBM	Results-based management
REC	Regional Economic Communities
RPTC	Regular programme of technical cooperation
SDG	Sustainable Development Goal
SME	Small and medium enterprise
SRA	Special Resources for Africa
TC	Technical cooperation
UNCT	United Nations Country Team
UNCTAD	United Nations Conference on Trade and Development
UNDAF	United Nations Development Assistance Framework
UNDG	United Nations Development Group
UNDP	United Nations Development Programme
UNECA	United Nations Economic Commission for Africa
UNEP	United Nations Environment Programme
UNFCCC	United Nations Framework Convention on Climate Change
UNIDO	United Nations Industrial Development Organization
UNJSPF	United Nations Joint Staff Pension Fund
UNOV	United Nations Office at Vienna
UNRC	United Nations Resident Coordinator
VBO	Vienna-based organization
VIC	Vienna International Centre

EXECUTIVE SUMMARY

1. In accordance with Article 14 of the Constitution and Financial Regulations 3.1 and 3.4, the Director General herewith submits his proposed programme and budgets for the biennium 2016-2017 to the Industrial Development Board, through the Programme and Budget Committee.

2. The proposed programme and budgets have been prepared against the background of a major resurgence of international interest in the Organization's mandate of inclusive and sustainable industrial development (ISID) as well as the related services it provides. Its formulation also coincides with an important transition in the global development framework towards the new post-2015 development agenda and associated Sustainable Development Goals, which will become fully operational in the period covered by the present document.

3. A number of major intergovernmental events in the past two years have highlighted the pivotal role of UNIDO in promoting ISID. In December 2013, the Member States of UNIDO endorsed the Lima Declaration "Towards inclusive and sustainable industrial development" in resolution GC.15/Res.1, in which they stressed the relevance of ISID as the basis for sustained economic growth, and encouraged appropriate consideration of this issue in the elaboration of the post-2015 development agenda. In doing so, they have clearly recognized the role that ISID plays in eradicating poverty and fostering sustainable development.

4. Moreover, the final report of the Open Working Group on Sustainable Development Goals (SDGs), released in July 2014, underscored the growing international recognition of ISID as an integral element of the emerging global development framework by proposing inclusive and sustainable industrialization as SDG 9, together with resilient infrastructure and innovation.

5. These new intergovernmental mandates given to both UNIDO and the United Nations system in its entirety have been underpinned by a growing results and impact-orientation in every aspect of the Organization's activities at policy, operational and management level. This was stressed in the outcome document of the informal working group (IWG) on the future, including programmes and resources, of UNIDO, entitled "Strategic Guidance Document" as contained in document IDB.41/24, which also provided a clear road map for a long-term management and results framework for the Organization.

6. On the basis of this comprehensive guidance, UNIDO has established a new integrated results and performance framework (IRPF), designed to form the basis of UNIDO's long-term results-based management (RBM), monitoring and reporting systems. In line with the global thematic agenda as well as with imperatives of transparency, effectiveness and efficiency, this IRPF is being introduced into this programme and budgets document as well as the new medium-term programme framework (MTPF) for 2016-2019.

7. UNIDO will continue the implementation of its gender equality and women's empowerment policy over the biennium, both through its programmatic mainstreaming into all relevant programmes and through a dedicated programme component under Programme C.1. The Organization will also increase its efforts towards a better gender balance as part of its human resource strategies and

recruitment policies. This initiative will be implemented under the direct guidance of the Director General.

8. Notwithstanding the strong support that UNIDO has enjoyed from the majority of its Member States, the budget for 2016-2017 proposed in the present document has been formulated to take into account the impact of the withdrawal of certain Member States from UNIDO, as well as the continued budgetary pressures facing Member States in the aftermath of the global financial and economic crisis. It also takes full account of the decision of the Industrial Development Board (IDB.39/Dec.7), which acknowledged that upon the announced departure of any Member State, the Organization's regular budget shall be readjusted so as not to increase the assessed contributions of remaining Member States.

9. To ensure compliance with decision IDB.39/Dec.7, it is proposed to make adjustments to the budgetary provisions for the Special Resources for Africa (SRA), where the funding base will be shifted to voluntary contributions, and UNIDO's field operations, where further budgetary savings will be achieved without affecting UNIDO's field presence and country coverage. The foreseen budget reductions in this context are €5,532,000 and €4,616,900 respectively.

10. In addition, it is proposed to request fresh resources for three important new elements to the UNIDO programme and budgets, namely (i) the full contributions to the United Nations Resident Coordinator (UNRC) system, as calculated by the United Nations Development Group (UNDG) at €1,693,600; (ii) the newly introduced Programme for Country Partnerships (PCP), calculated at €2,110,200; and (iii) additional building blocks of the enterprise resource planning (ERP) system, calculated at €1,500,000. Detailed justifications for these new elements are provided Section II of the Introduction.

INTRODUCTION

I. PROGRAMMATIC FRAMEWORK

11. UNIDO's mandate for supporting its Member States in achieving inclusive and sustainable industrial development derives from its Constitution as well as a number of key policy documents approved by the policymaking organs of the Organization. These include the Lima Declaration "Towards inclusive and sustainable industrial development" adopted by the fifteenth session of the General Conference in December 2013 and the outcome document of the IWG, entitled "Strategic Guidance Document" (IDB.41/24) also endorsed by the same session of the General Conference (decision GC.15/Dec.18). The formulation of the Programme and Budgets for 2016-2017 has been framed under the guidance given by these documents, together with the new integrated results and performance framework, which provides an improved RBM, monitoring and reporting system for UNIDO, in order to sharpen its capacity to deliver in a fast-changing and ever more demanding development landscape.

Post-2015 development agenda

12. In preparing the programme and budgets 2016-2017, great care has been taken to align the programmatic framework with the developmental goals and targets endorsed by the international community in the context of the post-2015 development agenda. UNIDO will continue to adjust its programme and budget frameworks towards supporting the attainment of the SDGs falling within its mandate and competence. As the intergovernmental negotiations on the definition of development agenda beyond 2015 are currently ongoing, UNIDO has linked its vision of ISID to the overall aspiration and transformative spirit of the SDGs, as well as the goals proposed by the Open Working Group on SDGs of the United Nations General Assembly.

13. A particular area in which the Organization has already taken initial steps is in supporting the creation of multi-stakeholder partnerships in developing countries with a view to achieving ISID buttressed by strong business infrastructure and technology networks (SDG 9 - infrastructure, industrialization and innovation). Due to the holistic and intertwined nature of the sustainable development agenda, UNIDO will also contribute to the achievement of most of the other SDGs likely to be adopted, in accordance with its mandate, including food security, health, education, gender equality, sustainable energy, economic growth and decent jobs, urbanization, sustainable consumption and production, peaceful societies, and the global partnership for development.

14. In addition, UNIDO's activities are fully in accordance with the objectives of the Global Environment Facility (GEF), and several of these activities derive their mandate from such multilateral agreements as the Montreal Protocol on Substances that Deplete the Ozone Layer, the Stockholm Convention on Persistent Organic Pollutants, the Minamata Convention on Mercury and the United Nations Framework Convention on Climate Change.

Format and presentation

15. The programmatic structure of the programme and budgets 2016-2017 is based on six Major Programmes. These Major Programmes comprise:

Major Programme A: Policymaking Organs

Major Programme B: Executive Direction and Strategic Management

Major Programme C: Thematic Programme Framework: Towards Inclusive and Sustainable Industrial Development

Major Programme D: Programme Support Services

Major Programme E: Buildings Management

Major Programme F: Indirect Costs

16. Major Programmes A and B continue to serve the requirements of the policymaking organs and of the executive management of UNIDO. Major Programme C covers the bulk of the substantive services provided by UNIDO to its Member States, including activities in the field to achieve greater regional and country-level coherence, while providing a unified structure for UNIDO's activities in the provision of policy advisory services, research and statistics, donor partnerships, and outreach, including advocacy and external relations. Major Programme D relates to the various support services needed to ensure the effective implementation of the Organization's substantive activities, while Major Programme E relates to the management of the Vienna International Centre (VIC) complex. Major Programme F shows all indirect costs and joint services of the Vienna-based organizations (VBOs) and the United Nations system in which UNIDO participates.

Programmatic structure and resource base

17. The programmatic structure of the programme and budgets 2016-2017 builds on the structure applied in the corresponding document for 2014-2015; however significant programmatic enhancements have been incorporated. While Major Programmes A, D, E and F have faced relatively little change, important improvements have been introduced to Major Programmes B and C, with a view towards providing more cost-effective services to Member States as well as aligning its activities more closely to the MTPF 2016-2019. The newly introduced IRPF has replaced the former RBM tables, and is now introduced into Major Programmes A, B, C, and D. A summary of the programmes and programme components covered across the Major Programmes is given below.

18. As in the previous biennium, the programmes proposed in the programme and budgets 2016-2017 will need to be undertaken within the limited resources at the disposal of the Organization. The programme and budgets, 2016-2017 are presented at a level of 2.7 per cent reduction rate, in real terms. However, the regular budget is reduced by 3.3 per cent, comprising a reduction of €10.4 million for the past share of departing Member States, and the inclusion of a total of €5.6 million for UNIDO's contribution to the United Nations Resident Coordinator (UNRC) system, enhancements to SAP enterprise resource planning (ERP) system and resources required for the Programme for Country Partnerships. Further, expenses were

lowered to compensate for an anticipated reduction in income on deposits of €1.0 million.

19. The *regular budget* is funded primarily from assessed contributions, with a very limited amount provided from other sources such as interest income, sales publications and government contributions to the regional and country offices of UNIDO. The Constitution of UNIDO provides for six per cent of the net regular budget to be used for the Regular Programme of Technical Cooperation (RPTC).

20. The *operational budget* is financed mainly from support cost reimbursement income earned through the implementation of technical cooperation activities financed from voluntary contributions. This support cost income is a reimbursement by donors to partially compensate UNIDO for the support services rendered by it.

21. ***Major Programme A*** retains its two traditional programmes related to the organization of meetings of the policymaking organs (PMO) as well as providing a secretariat for the PMO and building strong relationships with Member States and other stakeholders. Under Programme A.1, the Major Programme provides and arranges for the necessary infrastructure for the meetings of the principal and subsidiary bodies of UNIDO's policymaking organs and assures that the meetings are conducted in a timely, orderly and procedurally correct manner. Under Programme A.2, it provides a number of substantive, technical, logistical and advisory support services to the policymaking organs, as well as a Secretariat of the Policymaking Organs serving as the main channel of communication and interaction between Member States and the UNIDO Secretariat.

22. The resource level of Major Programme A has increased marginally to 2.8 per cent from 2.7 per cent of the total budget of the Organization. In this context it should be noted that the budgeted costs of the Policymaking Organs were significantly lowered in 2014-2015 with an important item in the package being the replacement of written summary records in all six languages of the Industrial Development Board and the General Conference with digital records. With decision IDB.41/Dec.12 (m), the Board decided to evaluate the experience gained by using digital records at its forty-third session. The Board is therefore invited to provide guidance on whether the use of digital records can be confirmed as a long-term solution. The in-house experience as well as the feedback obtained from Member States appears to suggest that the introduction and use of digital records has been satisfactory and acceptable.

23. ***Major Programme B*** contains five programmes. Programme B.1 provides a consolidated framework for the inclusion of all the principal functions of executive direction and strategic management under three separate Programme Components: B.1.1 Executive Direction and Organizational Alignment; B.1.2 Strategic Planning and United Nations Coherence and Coordination; and B.1.3 Programmatic Quality Assurance and Monitoring. The first of these components is primarily responsible for establishing the overall policy direction for all activities undertaken by UNIDO, while the second is responsible for establishing, and providing guidance on, specific policies and priorities of the Organization, as well as its strategic positioning within the context of the United Nations system. The third component is responsible for overseeing and implementing UNIDO's quality assurance framework, including the advancement of the Organization's development effectiveness.

24. Programme B.2 covers the evaluation function, to which UNIDO attaches high priority in light of its contribution to accountability, learning and the effectiveness of the Organization's substantive services. Programme B.3 relates to legal services and is intended to ensure that all of UNIDO's activities and programmes comply with the Organization's legal frameworks. Programme B.4 is related to internal oversight, and aims to promote integrity and transparency through independent and objective internal audit services and investigations of alleged wrongdoings. Programme B.5, covering ethics and accountability, supports the development and implementation of UNIDO's ethics-related policies.

25. The proportion of total gross resources devoted to Major Programme B in the programme and budgets for 2016-2017 is budgeted to increase slightly by 0.1 per cent.

26. ***Major Programme C*** is the largest of the Major Programmes, incorporating UNIDO's programmatic activities in the three thematic fields of ISID, all of which are derived directly from the MTPF 2016-2019. The UNIDO field network, which is tasked with representing UNIDO in the field and feeding the local needs back to UNIDO Headquarters, is integrated into this Major Programme. In addition, the Major Programme contains programmes for cross-cutting issues and field operations support.

27. Programme C.1 covers the services provided by UNIDO to Member States under the thematic field of "creating shared prosperity", and is aimed at advancing poverty eradication and inclusiveness by providing increased opportunities for all women and men across all social groups. It comprises three programme components. The first Programme Component, C.1.1, is specifically targeted at promoting pro-poor business opportunities for rural populations through agribusiness and rural development. Programme Component C.1.2 focuses on the participation of women and youth in productive activities, while Programme Component C.1.3 is aimed at addressing challenges to human security and to countries and communities emerging from crisis situations.

28. Programme C.2 focuses on the provision of services under the thematic area of "*advancing economic competitiveness*". The first of the three components under this programme, Component C.2.1, relates to investment and technology services for industrial development, including SME development and the promotion of clusters and business linkages. Programme Component C.2.2 offers services aimed at strengthening the trade capacities of producers in developing countries to meet the requirements in international markets, while promoting the concept of corporate responsibility among export-oriented SMEs. Programme Component C.2.3 provides an integrated range of services in entrepreneurship and related skills, including specialized curriculum development and vocational training.

29. Programme C.3 covers UNIDO's services in the area of "safeguarding the environment" and incorporates three substantive components. Programme Component C.3.1 is intended to support the reduced consumption of natural resources, the reduction of greenhouse gases and other emissions and industrial wastes generated by industrial processes, as well as targeted measures to enhance industrial energy efficiency and management, the productive use of water, and the environmentally sound management of chemicals. Programme Component C.3.2 is aimed at promoting access to clean energy for productive use and the efficient use

of energy in industry, while Programme Component C.3.3 assists developing countries and countries with economies in transition to meet their obligations under multilateral environmental agreements, in particular the Montreal Protocol on Substances that Deplete the Ozone Layer, the Stockholm Convention on Persistent Organic Pollutants, the Minamata Convention on Mercury and the United Nations Framework Convention on Climate Change.

30. Major Programme C.4 covers a range of cross-cutting services, and contains five diverse programme components: Programme Component C.4.1 covering UNIDO's advocacy, communication and outreach activities; Programme Component C.4.2 providing industrial policy and strategy advice, while generating applied research, knowledge and statistics in support of industrial development strategies and policies; Programme Component C.4.3 addressing the increasingly important subject of strategic partnerships with stakeholders as well as South-South Cooperation; Programme Component C.4.4 covering regional programmes, and related knowledge networks and policy coordination activities; and Programme Component C.4.5 focusing on the effective and efficient management of the programme, including the establishment of a systematic mechanism of progress monitoring and assessment as well as resource mobilization and donor relations.

31. Programme C.5 ensures that the UNIDO field network, consisting of regional and country offices and UNIDO Desks, receives optimal support and is fully integrated into the programmatic activities carried out under Major Programme C.

32. There is a decline in overall resources allocated to Major Programme C from 61.1 per cent to 57.9 per cent. This is mainly the result of shifting the resource base for Special Resources for Africa in the amount of € 5.53 million from the regular budget to extra-budgetary funding. Further, the resources budgeted in this Major Programme have been reduced in relation to the sharpened focus and scope of field operations. Additional resources have also been included in this Programme due to the need to strengthen the Strategic Donor Relations arm of the Organization that will contribute to Programme C.4, Cross-cutting Services.

33. ***Major Programme D*** comprises the various support services required to ensure the effective operations of UNIDO. These are presented in six Programmes, D.1-D.6, covering human resource management, financial services, procurement and logistics, information and communication management, business and systems support, and direction and management, respectively. Of these, Programme D.3 is further subdivided into two programme components covering procurement services and logistics services. The share of Major Programme D has increased in the total budget from 17.5 per cent to 18.9 per cent. This is mainly the result of a budget item of €1,500,000, which is required for the enhancement of the ERP system to strengthen and ensure continuous improvement of UNIDO's operations.

34. ***Major Programme E*** relates to the operation, maintenance and repair of the Vienna International Centre (VIC) complex of buildings, which is undertaken by UNIDO on behalf of the four organizations based in the complex, namely the International Atomic Energy Agency (IAEA), the Preparatory Commission for the Comprehensive Nuclear-Test-Ban Treaty Organization (CTBTO), UNIDO, and the United Nations Office at Vienna (UNOV), and with financial contributions from the other organizations. The Major Programme covers two separate programmes, Programme E.1 Common Buildings Management, and Programme E.2 Joint

Buildings Management, which provide broadly similar services in relation to the objectives of the Major Programme but differ in their sources of funding. Programme E.1 is financed by all VIC-based organizations, while Programme E.2 is financed only by CTBTO, UNIDO and UNOV.

35. The proposed gross expenditure budget for Programme E.1 Common Buildings Management Services shows a decrease of €1,694,900 that results mainly from the reduction of the budget for rental and maintenance of premises to address requests from the Vienna-based organizations for alteration work to the office premises. Consequently, there will be a considerably lower reimbursable income. Costs for the Vienna-based organizations will remain the same, of which UNIDO's share will remain 15.389 per cent. The proposed gross expenditure budget for Programme E.2 Joint Buildings Management has remained constant at €1,989,400.

36. ***Major Programme F*** covers UNIDO's contributions to shared services and other indirect costs, and contains only one programme, Programme F.1, which covers specific joint services of the VBOs as well as joint activities of the United Nations system, including the UNRC system. Indirect costs show an increase of €1,745,353, which originates mainly from the increased level of contribution to Joint Activities within the United Nations system, where a budget item of €1,693,600 was added for UNIDO's full share of the costs of the UNRC system, above the base fee. Further, there is an increase in the amount of €213,700 for the higher servicing costs of the after-service health insurance scheme, triggered by the higher number of retirees. The increases were partly offset by reductions in other items.

37. ***Regular Programme of Technical Cooperation (RPTC)***: The Regular Programme of Technical Cooperation relates to technical cooperation activities financed from the regular budget as provided for in the Constitution of UNIDO (Annex II, Part B). As in the biennium 2014-2015, the entire volume of the funds dedicated to the RPTC will be freely programmable in 2016-2017. The resource allocations for RPTC have been reduced by €287,861 to align with the overall reductions in the regular budget and hence preserve the six per cent share, as mandated by the UNIDO Constitution.

38. In addition, the programme and budgets 2016-2017 also includes the supplementary item of ***Miscellaneous Income***, which covers income derived from a number of disparate sources, including income on deposits, income from the sale of publications and the sales publication revolving fund, the sale of used equipment, and net exchange rate gains.

Comparison with the previous biennium by major object of expenditure

39. *Changes in staff costs and the post structure*: The total number of posts has been decreased by 1. Details of the composition of posts are presented in table 5 and annex C. In accordance with guidance included in decision IDB.41/Dec.12 (i) the number of D-1 and P-5 senior level positions has been reduced by 12 whereas the number of positions at the PS level increased by six. Four National Programme Official positions have been added to strengthen the field network.

40. *Official travel*: Responding to requests by Member States to further reduce travel costs, rationalize standards of accommodation for official travel, and ensure full compliance with these standards, a Director General's Bulletin on official travel

intended to achieve these objectives was issued on 16 March 2015. These measures notwithstanding, programmatic considerations necessitate an overall increase in the resources allocated for official travel by €443,444. This is due in part to a change in the implementation modalities for a portfolio of Montreal Protocol projects in China that reduces the fees paid for contractual services to implementation partners but requires more frequent monitoring missions. It also reflects an increase in travel resources required for the implementation of the new Programme for Country Partnerships.

41. *Operating costs*: Given that the Major Programme for Indirect Costs has a large component of resources for operating costs, the other Major Programmes show only a small proportion of these costs. Such operating costs include, but are not limited to, printing, translation and public information services, as well as joint activities of the United Nations system, and have a direct impact on the relevant programmes. The increased resource requirements under these operating costs are mainly due to the inclusion of €1,693,600 that represents the full share of UNIDO's contribution to the costs of the UNRC system. The base fee that was the minimum contribution payable, was already incorporated in the biennial budget for 2014-2015. The addition for the UNRC system has been partly offset by reductions in other operating cost items to arrive at a total increase of €1,089,976.

42. *Information and Communication Technology*: The increased resource requirement under this category is mainly due to the requirement to provide a budget of €1,500,000 for additional enhancements needed to the ERP system, as described earlier.

II. PROGRAMMATIC ADJUSTMENTS

United Nations Coherence and the Resident Coordinator System

43. The quadrennial comprehensive policy review of operational activities for development (QCPR), based on General Assembly resolution Res.67/226 of 21 December 2012, provides the framework for system-wide coherence of the development-oriented activities of the United Nations system. During the past number of years, UNIDO has participated actively in the elaboration of the QCPR, most recently in its indicators and the subsequent QCPR Monitoring and Reporting Framework which includes appropriate data sources identified for the indicators. In line with decision GC.15/Dec.17 on the medium-term programme framework, recommendations of the latest comprehensive policy review of operational activities for development were taken into account when formulating the draft of the next four-year MTPF 2016-2019. This, in turn, will be reflected in the current and future proposals of the programme and budgets.

44. UNIDO has contributed to system-wide coherence mechanisms, including through the United Nations System Chief Executives Board for Coordination (CEB), its two high-level committees on programmes and on management, and the United Nations Development Group (UNDG), in which UNIDO is a full member of the advisory board. In these efforts, UNIDO aligns all its country-level programmatic activities with the UNRC system while providing support to the operations of the UNRC offices. Through its participation in UNDG and United Nations Country Team (UNCT) meetings, retreats and joint events at global,

regional and country level, and through its engagement in the One United Nations, UNDAFs, and Joint Programming processes in 57 UNIDO programme countries, the Organization has increased its visibility and sharpened its comparative advantages. This engagement also increased the demand for UNIDO's thematic programmes and has led to the formulation and implementation of joint programmes with relevant United Nations entities such as FAO, ILO, UNCTAD, UNDP, and UNEP. These joint activities have fostered positive results as they build on the comparative advantages of each entity and thus avoid duplication and ensure the efficient use of funds.

45. As UNIDO works towards achieving ISID in the context of the post-2015 development agenda, engaging in the institutionalized UNCTs is essential for the Organization to enable it to embed ISID in UNDG mechanisms, and in particular in the UNDAFs. UNIDO's full contribution to the UNDG cost sharing towards the UNRC is therefore essential for the future standing of the Organization in the United Nations development system. Henceforth, United Nations entities which fail to pay the contribution in full will only be granted observer status. This will have a negative impact on their participation in joint programmes and on their ability to benefit from various fundraising mechanisms. With the requested additional resources UNIDO's full participation within the UNRC system will be ensured, and UNIDO will thus strategically position its mandate in programmatic activities at the country level.

Field structure adjustments

46. The current field network consists of various field entities and while there have been efforts in the past to make these entities more uniform, discrepancies among the various units remain mostly in relation to staffing and country coverage. Building on the rationalization of the organizational structure at UNIDO Headquarters in 2014-2015, the field network has also been reviewed with the aim of establishing a more consolidated structure in the biennium 2016-2017. The field network has in the recent past revitalized its advocacy and relationship management functions, forming a stronger resource base at the field level to increasingly pursue activities related to UNIDO's ISID mandate.

47. In view of the existing capacity of the field structure and in order to ensure a more efficient use of the resources within a more streamlined structure, the programme and budgets 2016-2017 places increased emphasis on the operations of the field entities currently known as "UNIDO desks". These entities are headed by a senior national professional officer and fulfil many of the functions of the offices headed by a UNIDO Representative. Furthermore, the progress of the "Delivery as One" initiative now ensures full participation of all United Nations entities present in a given country in common planning and implementation processes. It is therefore proposed to upgrade and strengthen these entities by allocating additional resources (mainly in the form of support staff), and thereby to give them an increased capacity to actively engage with counterparts and promote UNIDO activities in their host country.

48. Based on this proposal, UNIDO will streamline the field network to comprise of two different types of field units in the future, namely regional offices led by international Professional staff, and country offices headed by international and national Professional staff. Moreover, functions and roles will be streamlined and

harmonized across the two categories in order to achieve increasingly efficient management and operations modalities corresponding to system-wide United Nations standards, while also improving country ownership and local outreach. To facilitate this adjustment process, some regional offices will be converted to country offices, leading to a more optimal utilization of the resources placed at the disposal of the field network.

Special Resources for Africa: Shifting the funding base to voluntary contributions

49. Through resolution 35/66 of 5 December 1980, the United Nations General Assembly proclaimed the 1980s as the Industrial Development Decade for Africa (IDDA). This was extended for a further decade in 1989, and subsequently realigned to cover the period 1993-2002 in order to integrate the programme for the Second Decade into the overall framework of the United Nations New Agenda for the Development of Africa in the 1990s. With the expiry of the Second IDDA in 2002, UNIDO's programme and budgets for the biennium 2004-2005 no longer reserved a proportion of RPTC funds for IDDA projects. However, in accordance with the priority accorded to Africa by the international development agenda, it was decided to retain funds in the regular budget for activities of a non-technical cooperation nature in Africa. For this purpose, the appropriation line previously used for IDDA was renamed as Special Resources for Africa (SRA), and was funded at the same level as in the biennium 2002-2003.

50. During the more than 10 years that have elapsed since the completion of the second IDDA, UNIDO's focus on Africa has become mainstreamed. This is entirely in line with UNIDO's mandate, as given in the Lima Declaration, which calls upon the Organization to provide the full range of its development services according to the differentiated needs of Member States while continuing to give special attention to the least developed countries, the majority of which are in Africa. This is also in line with the nascent post-2015 development agenda and universally applicable SDGs, currently being finalized by the international community.

51. Within the general framework, UNIDO will continue to give high priority to Africa's specific industrial development needs. Indeed, Africa has accounted for a significant share of UNIDO's technical cooperation projects throughout the past decade, representing around 30 per cent of the total portfolio. Against this background it is proposed to discontinue the separate appropriation in the regular budget for SRA, and to earmark a similar or larger amount from voluntary contributions for the preparation of country, subregional and regional programmes in Africa.

Strategic partnerships

52. The Lima Declaration stresses that the strengthening of existing and the forging of new partnerships of all relevant stakeholders and at all levels towards achieving ISID are fundamental for overcoming the prevailing development challenges and achieving prosperity. With the newly introduced Programme for Country Partnerships (PCP), UNIDO is able to establish and further advance partnerships with a wide range of multilateral and bilateral organizations, including international financial institutions, and with the private sector and civil society organizations. The development of such partnerships will be given highest priority

in the years to come. Special consideration is given to the establishment of innovative multi-stakeholder partnerships for scaling up investment for ISID.

53. Business partnerships have proven to be a valuable mechanism for increasing the impact of the Organization's ISID programme portfolio along all four enablers, namely (i) technical cooperation; (ii) analytical functions and policy advisory services; (iii) normative functions and standards/compliance-related activities; and (iv) convening and partnerships for knowledge transfer and networking. UNIDO will place particular emphasis on joining forces with business and industry to harness the financial and non-financial input of the private sector needed to create shared value for all. Similarly, robust and systematic collaboration with other United Nations agencies will remain of most importance. Beyond the United Nations system, UNIDO will also pursue the objective to strengthen partnerships with bilateral development cooperation agencies, financial development institutions, civil society, and academia.

54. The all-encompassing approach to strategic ISID partnerships requires a multi-stakeholder consideration with regard to infrastructure, roads and utilities as essential drivers for industrial development, as well as mechanisms and strategies to achieve holistic and integrated results in terms of, inter alia, market access, employment generation, attraction of foreign direct investment, technology upgrading. Financing such a comprehensive development processes postulates public and private capital, which should be attracted by the new PCPs. This innovative flagship initiative provides for the development of comprehensive, tailor-made country-specific programmes based on the development aspirations of each individual country, and the coordinated implementation of these programmes taking into account both the full range of services offered by UNIDO and those offered by the participating partner institutions. The adoption of this approach is intended to ensure a substantial increase in intra- and inter-organizational synergies, and thereby generate increased efficiencies and optimize the developmental impact of the joint interventions undertaken by the various partners.

55. The PCP initiative was launched in November 2014 in two pilot countries, Ethiopia and Senegal, and is to be steadily extended to new countries every year. To permit the proposed expansion of this programme to a larger number of countries across all developing regions, UNIDO is requesting additional resources that will allow for the preparation, formulation and implementation of a series of new PCPs, as well as a continuous monitoring and reporting of results to permit any adjustments that may be needed to maintain the effectiveness of the programmes.

Enterprise resource planning (ERP) system

56. In order to meet UNIDO's critical management goal to continuously improve its internal operations, further investments are necessary to fine-tune and enhance the existing enterprise resource planning (ERP) system. To cover these investments, additional resources will be required to procure and implement ERP software updates and additional functionalities. These include, inter alia, a strategic planning and reporting tool; cloud and mobile based solutions; a contract management system; and a new platform to enable real-time processing and reporting of big data. These investments will enable the ERP system to remain at a "state-of-the-art" level, and to continue to contribute towards enhancing UNIDO's operational efficiencies and transparency.

Results-based management (RBM), performance monitoring and accountability

57. The programme and budgets 2016-2017 applies the RBM approach adopted in the IRPF of UNIDO. This includes the maintenance of a clear linkage to the MTPF 2016-2019, through the incorporation of selected key indicators, such as on expected development results and organizational performance. As such, it creates an integrated accountability system for UNIDO that links every part of the Organization to the implementation of the wider development agenda.

III. BUDGET FRAMEWORK

Financing of the regular budget

58. The net requirements under the regular budget, which are financed by assessed contributions payable by Member States, have been budgeted at the level of 3.34 per cent reduction rate, in real terms. Total gross expenditures, after recosting, of €144,691,299 are partially funded by an anticipated income of €2,518,300 and the resulting amount of €142,172,999 constitutes the net requirements to be financed through assessed contributions. Estimated income falls under two categories: (a) cost reimbursement for field offices and (b) miscellaneous income. The latter category includes income from sales publications, interest earned and other sundry items for which details are provided in a separate section. Projected income continues to be considerably lower than that of the previous biennium given the current global outlook on interest rates on the financial markets. Due to the reduced estimated income level and the mandatory reduction of the net requirements as well as the resources required for specific activities, the gross regular budget expenditures at current rates have been reduced by 3.93 per cent.

Financing of the operational budget

59. Total gross expenditures under the operational budget of €34,066,200 are similarly partially funded by miscellaneous income of €301,500. The resulting net requirements of €33,764,700 are financed from the reimbursement of support costs pertaining to technical cooperation and other services. Details of technical cooperation delivery and related support cost income estimates are shown in Tables 1 and 2(b). The projected level of technical cooperation services for 2016-2017 amounts to €329,816,200. Miscellaneous income earned under the operational budget constitutes mostly interest income and is subject to the same financial market considerations. However, it is expected that the income earned on US dollar deposits will slightly increase as market projections of interest rates in this currency have a more favourable outlook than that of the euro.

Development of budget estimates

60. In accordance with financial regulation 3.3, the budgetary estimates for the regular and operational budgets are presented separately at all programme levels. Similar to previous bienniums, comparisons between the bienniums 2014-2015 and 2016-2017 are shown at the same cost levels as the biennial budget for 2014-2015. The budget estimates for the biennium 2016-2017 are then adjusted (recosted) to take into account the impact of inflation and other cost adjustments.

61. For the development of the budgetary estimates for the biennium 2016-2017, the following elements have been taken into consideration:

(a) Approved budgets for 2014-2015;

(b) Adjustments to the approved 2014-2015 budgets to allow comparison;

(c) Resource requirements for 2016-2017 at 2014-2015 rates;

(d) Inflation and other cost adjustments.

Approved budgets for 2014-2015 as the budget base

62. The programme and budgets for the biennium 2014-2015, as contained in document IDB.41/5/Add.1 and approved by the General Conference in decision GC.15/Dec.16, detailed the resource requirements to implement the programmes of the Organization for the biennium 2014-2015. In line with that document, the budgets for the biennium 2014-2015 represent, under the regular budget, a net amount of €143,743,513 and €32,765,600 under the operational budget. The General Conference, in decision GC.15/Dec.16 paragraph (b), approved an amount of €143,743,513 as the level of assessed contributions for 2014-2015, which is applied as the comparative base for the regular budget.

Adjustments to the budget base

63. The budget base has been restated to reflect minor changes in the programmatic structure as summarized earlier and hence it allows for a meaningful comparison of resource requirements for 2016-2017 with those of 2014-2015.

Resource requirements for 2016-2017 at 2014-2015 rates

64. The net regular budget estimates for the biennium 2016-2017 of €138,943,531 consist of a 3.34 per cent reduction, in real terms. The net operational budget estimates are at same level as that of the 2014-2015 biennium at €32,765,600. The vacancy factors assumed in the budgets for the biennium 2016-2017 remain at five per cent for Professional-level and three per cent for General Service-level posts. These assumptions reflect the reduced financial requirements of a post due to a period of vacancy during the recruitment process.

Inflation and other cost adjustments

65. The application of inflation and other cost adjustments to the 2016-2017 estimates (expressed at 2014-2015 rates) results in a re-costing of these estimates to 2016-2017 rates. This process consists of two steps. First, the resource requirements expressed at 2014-2015 rates are recosted to reflect the actual cost structures of 2014-2015. In the second step, the requirements are further adjusted in line with expected cost increases for 2016 and 2017. The increase in financial requirements for 2016-2017 is attributable to anticipated changes in the consumer price and wage index levels in Austria and field locations, and also to expected statutory changes in salary and common staff costs for staff on established posts.

66. It is important to emphasize that the conditions of service for staff are regulated by the provisions of the United Nations common system of salaries and entitlements as stipulated by the International Civil Service Commission (ICSC).

While UNIDO is part of the common system, it has little influence on the decision-making process in respect of the elements and parameters of the system. At the same time, UNIDO is obliged to implement all changes in full. Such changes are fully incorporated in the current biennial budget proposal. In the *Professional category*, estimates for salary increases have been calculated on the basis of post adjustment indices projected by the ICSC and expected in-grade increments resulting in an annual increase at Headquarters of 1.1 per cent in 2015, 1.4 per cent in 2016 and 1.9 per cent for 2017. For *General Service staff*, the published average consumer price and wage index increases together with in-grade increments result in an estimated annual increase at Headquarters of 2.3 per cent in 2015, 2.3 per cent in 2016 and 2.2 per cent for 2017.

67. The level of common staff costs under regular and operational budgets has been estimated at an average 41.7 per cent (44.5 per cent in 2014-2015) of net Professional salaries and 32.9 per cent (32.6 per cent in 2014-2015) of General Service salaries for 2016-2017. These estimates have been developed through analysing the cost movements of the various entitlements as regulated by the ICSC and taking into account the current staff population at UNIDO.

68. The inflation rate for various non-staff objects of expenditure such as utilities, maintenance and supplies is based on forecasts of price index movements obtained from the Austrian Institute for Economic Research, the Economist Intelligence Unit, World Bank commodity price data and the *World Economic Situation and Prospects 2015*, or on estimated inflation trends at the locations of field offices.

69. The cost of Common Services (except the Buildings Management Service), mostly covered under the Major Programme on Indirect Costs, normally increases by the level of cost increases under staff costs. The average rate under the regular budget for net cost increases in the biennium 2016-2017 is 1.155 per cent per annum. The net amount required for recosting under the regular budget is €3,229,468.

Budgeting for non-euro expenditures

70. The Organization prepares and presents its budgets in euros. However, some 10 to 15 per cent of expenditures remain in other currencies, mainly in United States dollars. In order to estimate the required budgetary amounts in euros, the January to December 2014 average United Nations euro/dollar exchange rate, i.e. US $ 1 = € 0.751, has been applied to those items. The same rate will be used to determine the transfers to or from the special reserve for exchange rate gains and losses.

Table 1
Summary of budget estimates by Major Programme for 2016-2017
for total operations
(In euros, at 2016-2017 costs)

Major Programme	Regular budget (net)	Operational budget (net)	Technical cooperation (extrabudgetary)	Total net estimates	Per cent of total estimates
A. Policymaking Organs	4,887,600	90,800		4,978,400	1.0%
B. Executive Direction and Strategic Management	12,424,670	279,100		12,703,770	2.5%
C. Thematic Programme Framework: Towards Inclusive and Sustainable Industrial Development	72,168,669	28,823,800	329,816,200	430,808,669	85.1%
D. Programme Support Services	28,961,100	4,872,500		33,833,600	6.7%
E. Buildings Management					0.0%
F. Indirect Costs	23,817,760			23,817,760	4.7%
Miscellaneous Income	(86,800)	(301,500)		(388,300)	
Total net requirements	142,172,999	33,764,700	329,816,200	505,753,899	100.0%

Total volume of operations in 2016-2017
by major programme
(including technical cooperation)

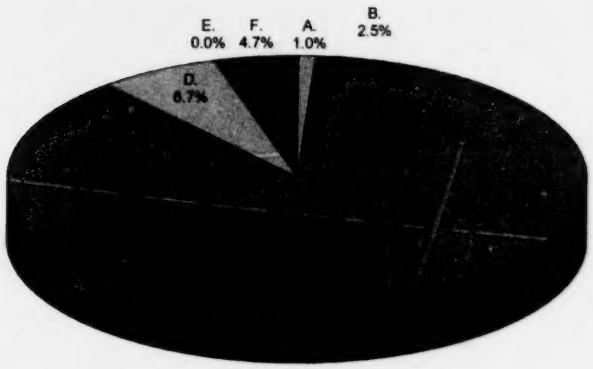

Table 2(a)
Summary of regular and operational budgets
(Excluding Major Programme E, Buildings Management)
(In euros)

	2014-2015 approved budget	2016-2017 Departing Member States	2016-2017 Specific Activities	2016-2017 resource growth at 2014-2015 rates	2016-2017 resource requirements at 2014-2015 rates	Recosting to 2016-2017 rates	2016-2017 resource requirements at 2016-2017 rates
	1	2	3	4	5	6	7
Regular budget							
Expenditures	147,251,013	(10,423,048)	5,623,066	(5,789,182)	141,461,831	3,229,468	144,691,299
Income	(3,507,500)			989,200	(2,518,300)		(2,518,300)
Net requirements	143,743,513	(10,423,048)	5,623,066	(4,799,982)	138,943,531	3,229,468	142,172,999
Operational budget							
Expenditures	32,819,400			247,700	33,067,100	999,100	34,066,200
Income	(53,800)			(247,700)	(301,500)		(301,500)
Net requirements	32,765,600				32,765,600	999,100	33,764,700
Total regular and operational budgets	176,509,113	(10,423,048)	5,623,066	(4,799,982)	171,709,131	4,228,568	175,937,699
Rate of real growth (net)							
Regular budget				(3.3%)			
Operational budget				0.0%			
Combined				(2.7%)			

Table 2 (b)
Technical cooperation delivery and support cost income estimates
(Excluding Regular Programme activities)
(In euros)

	2014-2015		2014-2015	2016-2017 b/	
	Delivery	Support cost income	Delivery (revalued a/)	Delivery	Support cost income
European Union	15,752,800	1,493,400	15,206,109	39,412,400	2,829,300
UNDP – Main programme	2,100,600	210,100	2,027,700	300,400	21,500
Industrial Development Fund	26,833,700	3,070,100	25,902,453	37,908,100	4,323,700
Montreal Protocol	65,353,500	7,810,600	63,085,448	67,199,500	8,308,500
Global Environment Facility	88,711,100	8,750,000	85,632,437	99,053,700	9,128,900
Trust funds and others	120,046,800	11,380,800	115,880,651	85,942,100	7,973,800
Technical Services		50,600			1,179,000
Total	318,798,500	32,765,600	307,734,799	329,816,200	33,764,700

a/ Original estimate revalued with US$ 1 = €0.751, the January to December 2014 average United Nations exchange rate.

b/ Calculated with US$ 1 = €0.751, the January to December 2014 average United Nations exchange rate.

Table 3
Proposed expenditure and income
by Major Programme for 2016-2017 with comparative data for 2014-2015
(In euros)

Major Programme	2014-2015 approved budget	2016-2017 resource growth at 2014-2015 rates	2016-2017 resource requirements at 2014-2015 rates	Recosting to 2016-2017 rates	2016-2017 resource requirements at 2016-2017 rates
	1	2	3	4	5
1. Regular and operational budgets					
A. Policymaking Organs	4,784,500	(2,800)	4,781,700	196,700	4,978,400
Net requirements	4,784,500	(2,800)	4,781,700	196,700	4,978,400
B. Executive Direction and Strategic Management	12,542,416	(38,306)	12,504,110	199,660	12,703,770
C. Thematic Programme Framework: Towards Inclusive and Sustainable Industrial Development	109,934,190	(8,628,929)	101,305,261	2,118,708	103,423,969
Income	(2,431,500)		(2,431,500)		(2,431,500)
Net requirements	107,502,690	(8,628,929)	98,873,761	2,118,708	100,992,469
D. Programme Support Services	31,468,900	1,383,200	32,852,100	981,500	33,833,600
Net requirements	31,468,900	1,383,200	32,852,100	981,500	33,833,600
E. Buildings Management	55,091,300	(1,694,900)	53,396,400	1,664,400	55,060,800
Income	(55,091,300)	1,694,900	(53,396,400)	(1,664,400)	(55,060,800)
Net requirements					
F. Indirect Costs	21,340,407	1,745,353	23,085,760	732,000	23,817,760
Miscellaneous Income	(1,129,800)	741,500	(388,300)		(388,300)
Total regular and operational budgets	**176,509,113**	**(4,799,982)**	**171,709,131**	**4,228,568**	**175,937,699**

(Continued next page)

Table 3 (continued)
Proposed expenditure and income
by Major Programme for 2016-2017 with comparative data for 2014-2015
(In euros)

Major Programme		2014-2015 approved budget[a/] 1	2016-2017 resource growth at 2014-2015 rates 2	2016-2017 resource requirements at 2014-2015 rates 3	Recosting to 2016-2017 rates 4	2016-2017 resource requirements at 2016-2017 rates 5
2. Regular budget						
A.	Policymaking Organs	4,695,500	(2,800)	4,692,700	194,900	4,887,600
	Net requirements	4,695,500	(2,800)	4,692,700	194,900	4,887,600
B.	Executive Direction and Strategic Management	12,263,116	(38,306)	12,224,810	199,860	12,424,670
C.	Thematic Programme Framework: Towards Inclusive and Sustainable Industrial Development	82,159,690	(8,876,629)	73,283,061	1,317,108	74,600,169
	Income	(2,431,500)		(2,431,500)		(2,431,500)
	Net requirements	79,728,190	(8,876,629)	70,851,561	1,317,108	72,168,669
D.	Programme Support Services	26,792,300	1,383,200	28,175,500	785,600	28,961,100
	Net requirements	26,792,300	1,383,200	28,175,500	785,600	28,961,100
E.	Buildings Management	55,091,300	(1,694,900)	53,396,400	1,664,400	55,060,800
	Income	(55,091,300)	1,694,900	(53,396,400)	(1,664,400)	(55,060,800)
	Net requirements					
F.	Indirect Costs	21,340,407	1,745,353	23,085,760	732,000	23,817,760
	Miscellaneous Income	(1,076,000)	989,200	(86,800)		(86,800)
Total regular budget		**143,743,513**	**(4,799,982)**	**138,943,531**	**3,229,468**	**142,172,999**
3. Operational budget						
A.	Policymaking Organs	89,000		89,000	1,800	90,800
	Net requirements	89,000		89,000	1,800	90,800
B.	Executive Direction and Strategic Management	279,300		279,300	(200)	279,100
C.	Thematic Programme Framework: Towards Inclusive and Sustainable Industrial Development	27,774,500	247,700	28,022,200	801,600	28,823,800
	Net requirements	27,774,500	247,700	28,022,200	801,600	28,823,800
D.	Programme Support Services	4,676,600		4,676,600	195,900	4,872,500
	Net requirements	4,676,600		4,676,600	195,900	4,872,500
	Net requirements					
	Miscellaneous Income	(53,800)	(247,700)	(301,500)		(301,500)
Total operational budget		**32,765,600**		**32,765,600**	**999,100**	**33,764,700**

a/ Reflects budget adjustments to the base.

Table 4(a)
Proposed expenditure and income
by major object of expenditure for 2016-2017 with comparative data for 2014-2015
(Excluding Major Programme E, Buildings Management)
(In euros)

Major object of expenditure		2014-2015 approved budget 1	2016-2017 resource growth at 2014-2015 rates 2	2016-2017 resource requirements at 2014-2015 rates 3	Recosting to 2016-2017 rates 4	2016-2017 resource requirements at 2016-2017 rates 5
1. Regular and operational budgets						
1	Staff costs	126,782,220	(2,386,141)	124,396,079	2,739,700	127,135,779
2	Official travel	4,186,556	443,444	4,630,000	90,700	4,720,700
3	Operating costs	27,429,964	1,089,976	28,519,940	1,019,400	29,539,340
4	Information and communication technology	7,515,200	1,131,100	8,646,300	185,000	8,831,300
5	RPTC and Special Resources for Africa	14,156,473	(5,819,861)	8,336,612	193,768	8,530,380
	Income	(3,561,300)	741,500	(2,819,800)		(2,819,800)
Total net regular and operational budgets		**176,509,113**	**(4,799,982)**	**171,709,131**	**4,228,568**	**175,937,699**
2. Regular budget						
1	Staff costs	97,117,320	(2,962,941)	94,154,379	1,792,700	95,947,079
2	Official travel	2,658,356	67,544	2,725,900	58,800	2,784,700
3	Operating costs	25,803,664	1,794,976	27,598,640	999,200	28,597,840
4	Information and communication technology	7,515,200	1,131,100	8,646,300	185,000	8,831,300
5	RPTC and Special Resources for Africa	14,156,473	(5,819,861)	8,336,612	193,768	8,530,380
	Income	(3,507,500)	989,200	(2,518,300)		(2,518,300)
Total net regular budget		**143,743,513**	**(4,799,982)**	**138,943,531**	**3,229,468**	**142,172,999**
3. Operational budget						
1	Staff costs	29,664,900	576,800	30,241,700	947,000	31,188,700
2	Official travel	1,528,200	375,900	1,904,100	31,900	1,936,000
3	Operating costs	1,626,300	(705,000)	921,300	20,200	941,500
	Income	(53,800)	(247,700)	(301,500)		(301,500)
Total net operational budget		**32,765,600**		**32,765,600**	**999,100**	**33,764,700**

Table 4(b)
Annual proposed expenditure and income
by major object of expenditure for 2016-2017
(Excluding Major Programme E, Buildings Management)
(In euros)

Major object of expenditure	2016 resource requirements at 2016 rates 1	2017 resource requirements at 2017 rates 2	2016-2017 resource requirements at 2016-2017 rates 3
1. Regular and operational budgets			
1 Staff costs	62,975,760	64,160,019	127,135,779
2 Official travel	2,334,200	2,386,500	4,720,700
3 Operating costs	14,298,925	15,240,415	29,539,340
4 Information and communication technology	4 420,000	4,411,300	8,831,300
5 RPTC and Special Resources for Africa	4,206,685	4,323,695	8,530,380
Income	(1,312,700)	(1,507,100)	(2,819,800)
Total net regular and operational budgets	**86,922,870**	**89,014,829**	**175,937,699**
2. Regular budget			
1 Staff costs	47,514,510	48,432,569	95,947,079
2 Official travel	1,410,550	1,374,150	2,784,700
3 Operating costs	13,814,625	14,783,215	28,597,840
4 Information and communication technology	4,420,000	4,411,300	8,831,300
5 RPTC and Special Resources for Africa	4,206,685	4,323,695	8,530,380
Income	(1,252,400)	(1,265,900)	(2,518,300)
Total net regular budget	**70,113,970**	**72,059,029**	**142,172,999**
3. Operational budget			
1 Staff costs	15,461,250	15,727,450	31,188,700
2 Official travel	923,650	1,012,350	1,936,000
3 Operating costs	484,300	457,200	941,500
Income	(60,300)	(241,200)	(301,500)
Total net operational budget	**16,808,900**	**16,955,800**	**33,764,700**

Table 5
Positions established under the regular and operational budgets
2014-2015 and 2016-2017
(Excluding Major Programme E, Buildings Management)

A. Total UNIDO

	2014-2015			2016-2017			Increase/ decrease
	RB	OB	Total	RB	OB	Total	
Professional and above							
Director General	1.0	–	1.0	1.0	–	1.0	–
Director	25.0	8.0	33.0	21.0	6.0	27.0	-6.0
P-5	50.0	14.0	64.0	40.0	18.0	58.0	-6.0
P-4	62.0	9.0	71.0	61.0	7.0	68.0	-3.0
PS (P-1 to P-3)	79.0	18.0	97.0	84.0	19.0	103.0	6.0
NP (National Programme Officer)	–	36.0	36.0	–	40.0	40.0	4.0
Subtotal	217.0	85.0	302.0	207.0	90.0	297.0	-5.0
General Service	216.00	75.00	291.00	222.00	73.00	295.00	4.00
GRAND TOTAL	433.00	160.00	593.00	429.00	163.00	592.00	-1.00

B. Headquarters (including offices at New York, Geneva and Brussels)

	2014-2015			2016-2017			Increase/ decrease
	RB	OB	Total	RB	OB	Total	
Professional and above							
Director General	1.0	-	1.0	1.0	-	1.0	-
Director	20.0	3.0	23.0	19.0	3.0	22.0	-1.0
P-5	39.0	5.0	44.0	36.0	9.0	45.0	1.0
P-4	62.0	7.0	69.0	61.0	6.0	67.0	-2.0
PS (P-1 to P-3)	79.0	16.0	95.0	84.0	19.0	103.0	8.0
NP (National Programme Officer)	-	-	-	-	-	-	-
Subtotal	201.0	31.0	232.0	201.0	37.0	238.0	6.0
General Service	156.00	56.00	212.00	158.00	56.00	214.00	2.00
GRAND TOTAL	357.00	87.00	444.00	359.00	93.00	452.00	8.00

C. Field Offices

	2014-2015			2016-2017			Increase/ decrease
	RB	OB	Total	RB	OB	Total	
Professional and above							
Director	5.0	5.0	10.0	2.0	3.0	5.0	-5.0
P-5	11.0	9.0	20.0	4.0	9.0	13.0	-7.0
P-4	-	2.0	2.0	-	1.0	1.0	-1.0
PS (P-1 to P-3)	-	2.0	2.0	-	-	-	-2.0
NP (National Programme Officer)	-	36.0	36.0	-	40.0	40.0	4.0
Subtotal	16.0	54.0	70.0	6.0	53.0	59.0	-11.0
General Service	60.00	19.00	79.00	64.00	17.00	81.00	2.00
GRAND TOTAL	76.00	73.00	149.00	70.00	70.00	140.00	-9.00

MAJOR PROGRAMME A: POLICYMAKING ORGANS

Objective: To provide a framework to Member States for determining the guiding principles, policies, priorities and budgetary resources of UNIDO, and to build strong relationships with Member States and other stakeholders.

General description: The Member States are the main constituency of Major Programme A. Besides the regular sessions of the policymaking organs, recent years have been characterized by special events and side events held in the presence of Heads of State and other dignitaries. Furthermore, frequent briefings for Member States have become an established practice. These and other trends further enhance the participatory processes of the Organization, and encourage Member States at a very high level to share their views and provide guidance on how UNIDO should contribute to the overall development objectives of the United Nations development system.

Performance indicator: Strengthened dialogue and relations with Member States, leading to a firmly established mandate of UNIDO and enhanced ownership by Member States (based on reports and proceedings of the policymaking organs).

Major Programme A: POLICYMAKING ORGANS

Resource estimates (in euros)

Positions			2016-2017 estimates (after recosting)			
Professional	General Service	Total		Regular budget	Operational budget	Total
5.00	**3.00**	**8.00**	Staff costs	1,836,600		1,836,600
			Consultants	44,700		44,700
			Official travel	56,400		56,400
			Operating costs	2,949,900	90,800	3,040,700
			Total gross expenditure	**4,887,600**	**90,800**	**4,978,400**
			Total net resources	**4,887,600**	**90,800**	**4,978,400**

By programme

		Positions P	Positions GS	Regular and operational budgets	Technical cooperation (extrabudgetary)	TOTAL
A.1	Meetings of the Policymaking Organs			3,059,300		3,059,300
A.2	Policymaking Organs Secretariat and Relations with Member States	5.00	3.00	1,919,100		1,919,100
A.	**Total Major Programme**	**5.00**	**3.00**	**4,978,400**		**4,978,400**

Programme A.1: Meetings of the Policymaking Organs

Objective: To provide and arrange for the necessary infrastructure and services (translation, printing, conference facilities, and interpretation) for the policymaking organs, including regular and special sessions and a range of inter-sessional meetings.

General description: The programme serves the policymaking organs of the Organization and responds to the mandate as outlined in the Constitution and the rules of procedure of the policymaking organs. As provided for in Chapter II of the Constitution, these policymaking organs comprise: (a) The General Conference; (b) The Industrial Development Board; (c) The Programme and Budget Committee. The Programme provides and arranges for the necessary infrastructure for the meetings of the principal and subsidiary bodies of UNIDO's policymaking organs. These are intended to develop guidelines and policy directives for the Secretariat on the functions and activities of the Organization as set out under Article 2 of the Constitution and the Lima Declaration, thereby discharging constitutional and mandated responsibilities. It assures that meetings are conducted in a timely, orderly and procedurally correct manner through authoritative advice and thorough preparations of the Secretariat.

Programme A.2: Policymaking Organs Secretariat and Relations with Member States

Objective: To facilitate deliberations and decision-making of the policymaking organs and strengthen liaison with Member States, Permanent Missions accredited to UNIDO, non-Member States, IGOs and NGOs, and regional groups, with a view to ensure responsive, efficient and effective cooperation and strengthened relationship with Member States.

General description: The policymaking organs are provided for in Chapter III of the Constitution, and the Secretariat of the PMOs ensures and coordinates the framework for their sessions and serves as the main channel of communication and interaction between Member States and the UNIDO Secretariat.[1] The Programme serves to facilitate deliberations and decision-making of the PMOs and to maintain effective and strengthened relations with Member States, Permanent Missions accredited to UNIDO, non-member States and regional groups. This is done to increase support for the mandate and overall development objectives of the Organization. Similarly, the Programme contributes to the advancement of UNIDO's programme management through a smooth and effective conduct of meetings and the provision of timely and high-quality services and legislative documents. The Programme also supports the Director General in managing UNIDO's political relationship with Member States.

MAJOR PROGRAMME B: EXECUTIVE DIRECTION AND STRATEGIC MANAGEMENT

Objective: To ensure the establishment, implementation and communication of effective strategies, policies and operational systems, based on the differentiated needs of Member States in achieving ISID.

General description: Within the scope of the constitutional objectives of UNIDO, pursuant to the decisions of the policymaking organs, and guided by the diverse

[1] The detailed list of advisory and technical functions related to the sessions and protocol is included in the Director General's Bulletin of 30 June 2014 (UNIDO/DGB/2014/01).

state of ISID and related needs of Member States, this Major Programme provides effective strategic guidance direction to the Organization. It is further responsible for ensuring the strategic positioning of UNIDO within the multilateral development system by maintaining close ties with governments, intergovernmental organizations, and the United Nations system agencies. The Major Programme also ensures effective oversight and evaluation services that inform the strategic decision-making and direction of UNIDO's executive management.

Indicators for the state of ISID, for guiding strategic decision-making and organizational direction[*]:

Industrial competitiveness and innovation capacities	
Manufacturing value added (MVA)	*(curr./cons.t US$)*
Stage of industrialization	*(# countries)*
Competitive Industrial Performance Index	*(scale: 0-1)*
Global Connectedness Index[**]	*(scale: 0-1)*
Export market/product/MVA concentration/diversification index	*(scale: 0-1)*
Relative rejection rate for major exported products	*(%)*
Industrial human resources and gender equality	
Employment in manufacturing (manufacturing employment/total employment)	*(%)*
Average wage per worker (m/f) in the manufacturing sector	*(current US$)*
Working hours by industry and gender	*(hours)*
Full-time, part-time, local, foreign workers by industry and gender	*(# of people)*
Industrial governance, institutions, and infrastructure	
Government/regulatory environment for industry	*(scale: 1-5)*
Availability of affordable industrial finance, machinery, space, labour	*(scale: 1-5)*
Marketing challenges by industry	*(scale: 1-5)*
Availability of electricity, water, input materials, transport facilities	*(scale: 1-5)*
Environmental footprint of industry	
Percentage of renewable energy use by industry	*(%)*
Total value of materials purchased by industry	*(current US$)*
Energy, material and water intensity (MVA) by industry	*(current US$)*

[*]Data collection by Statistics Unit ([**] provided by Strategic Planning and Coordination Unit).

Major Programme B: EXECUTIVE DIRECTION AND STRATEGIC MANAGEMENT

Resource estimates (in euros)

Positions			2016-2017 estimates (after recosting)			
Professional	General Service	Total		Regular budget	Operational budget	Total
22.55	**18.00**	**40.55**	Staff costs	10,126,370	279,100	10,405,470
			Consultants	469,800		469,800
			Meetings	21,900		21,900
			Official travel	857,300		857,300
			Operating costs	784,100		784,100
			Information and comm. techn.	165,200		165,200
			Total gross expenditure	**12,424,670**	**279,100**	**12,703,770**
			Total net resources	**12,424,670**	**279,100**	**12,703,770**

By programme

		Positions		Regular and operational budgets	Technical cooperation (extrabudgetary)	TOTAL
		P	GS			
B.1.	Executive Direction and Strategic Management	11.55	11.00	7,946,170		7,946,170
B.2.	Evaluation	4.00	3.00	1,802,000		1,802,000
B.3.	Legal Services	3.00	2.00	1,318,500		1,318,500
B.4.	Internal Oversight	4.00	2.00	1,577,400		1,577,400
B.5.	Ethics and Accountability			59,700		59,700
B.	**Total Major Programme**	**22.55**	**18.00**	**12,703,770**		**12,703,770**

Programme B.1: Executive Direction and Strategic Management

Objective: To carry out a variety of mutually supportive executive management functions, serving to determine the overall strategic direction and positioning of UNIDO as an efficient and effective provider of industrial development services in accordance with its mandate to promote ISID.

General description: In line with the constitutional objectives of UNIDO and the decisions of the policymaking organs, including those related to the relevant medium-term programme framework (MTPF 2016-2019), Programme B.1 provides the overall strategic and policy direction for the management of the Organization. In this context, the programme ensures the strategic positioning of UNIDO in the overall multilateral development architecture, particularly within the United Nations system, and is responsible for enhancing multi-stakeholder support for UNIDO through effective communication, information, knowledge dissemination and partnerships. The programme also ensures the quality monitoring of the Organization's programmatic activities, and the reporting on its overall development effectiveness.

Programme Component B.1.1: Executive Direction and Organizational Alignment

Objective: To provide a strategic and policy framework for UNIDO's activities and operations, in accordance with its mandate towards ISID, and to ensure the support of its Member States for these activities.

General description: This programme component guides and coordinates the strategic direction of UNIDO's technical cooperation, convening, policy advisory and normative activities, as well as its administrative and financial processes and procedures, including gender equality and the empowerment of women, in accordance with the constitutional objectives of the Organization and decisions of its policymaking organs. It aims at generating support from Member States and non-Member States for UNIDO's mandate and activities through direct communication and dialogue.

Programme Component B.1.2: Strategic Planning, United Nations Coherence and Coordination

Objective: To establish specific strategic and policy priorities for UNIDO, to maintain strategic partnerships with relevant public and private partners, and to ensure the effective strategic positioning of the Organization within the multilateral development system.

General description: This programme component provides for the establishment of, and guidance on, specific strategies, policies and priorities of the Organization, and for the establishment and maintenance of strategic partnerships with relevant external stakeholders. It is also responsible for the strategic positioning of UNIDO in the multilateral development context, and particularly within the United Nations system. In this context, it manages and coordinates UNIDO's participation and involvement in intergovernmental and inter-agency meetings and activities.

Programme Component B.1.3: Programmatic Quality Assurance and Monitoring

Objective: To ensure that the development results of UNIDO's programmatic activities are monitored and the Organization's development effectiveness is further increased.

General description: The programme component contributes to further increasing the development effectiveness of UNIDO's programmatic activities by observing high quality interventions design and monitoring implementation. It is also responsible for managing the overall monitoring processes for the programmatic activities of the Organization, and for ensuring overall coherence between operations and the strategic objectives and expected results of the Organization.

Programme B.2: Evaluation

Objective: To improve the design, implementation and strategic orientation of UNIDO activities.

General description: This programme contributes to accountability and to organizational learning to enhance the impact, effectiveness, efficiency and sustainability of UNIDO's technical cooperation programmes and related policy

advisory, convening and normative activities. The evaluations conducted under this programme provide recommendations to UNIDO managers, at various levels, on how to achieve UNIDO's development objectives more effectively. This programme also provides learning for competence development and excellence; measuring and reporting on results for strengthening UNIDO's results-orientation; providing information on lessons learned and arising opportunities for innovativeness; and validating results for accountability.

Programme B.3: Legal Services

Objective: To ensure the proper conduct of the affairs of UNIDO and defend its rights and interests by promoting the rule of law, and by advising on international law and the internal law of the Organization.

General Description: The programme provides legal advisory services to all organs of UNIDO. Core activities include advising on international agreements, contracts, employment matters, external relations, and technical assistance projects; defending UNIDO's interests in contractual or litigation matters before international tribunals and other fora; and furthering the development of international law and the harmonization of rules, procedures and policies in the United Nations common system.

Programme B.4: Internal Oversight

Objective: To add value to and improve UNIDO's operations in terms of effectiveness, efficiency, compliance and relevance by examining and assessing the Organization's activities in an independent and objective manner, thereby supporting transparency, accountability and improved performance.

General description: This programme supports the achievement of UNIDO's mission and fulfilment of expected results and accountabilities worldwide, fostering a culture of integrity, transparency and accountability through: (a) Independent and objective internal audit services (both assurance and advisory), assessing and analysing the effectiveness and adequacy of UNIDO's system of internal controls, risk management and governance processes, as well as the efficient, effective and economic use of resources available to UNIDO; and (b) Investigating alleged wrongdoings. The programme also serves as the focal point for all activities at UNIDO related to the work of the Joint Inspection Unit.

Programme B.5: Ethics and Accountability

Objective: To promote and foster a culture of ethics, transparency and accountability within the Organization and to ensure that UNIDO's policies in this area remain aligned with best practice in the United Nations system and elsewhere.

General description: This programme provides for the promotion of a culture of ethics, transparency and accountability throughout the Organization, through: (a) Support for the development and implementation of UNIDO's ethics-related policies; (b) Provision of guidance to UNIDO management and personnel on

ethics-related policies and issues; (c) Communication of established standards of conduct throughout the Organization; (d) Monitoring of global trends and best practices in the area of ethics, transparency and accountability; and (e) Representation of UNIDO vis-à-vis external counterparts in ethics-related matters.

MAJOR PROGRAMME C: THEMATIC PROGRAMME FRAMEWORK TOWARDS INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT

Objective: To advance inclusive and sustainable industrial development (ISID) through enhanced economic competitiveness, shared prosperity, and environmental protection.

General description: This Major Programme provides the thematic focus for the programmatic activities of the Organization, to support developing countries and countries with economies in transition in their efforts to achieve higher levels ISID. Results are achieved through an adequate mix of enabling functions and services, namely (i) technical cooperation; (ii) analytical functions and policy advisory services; (iii) normative functions and standards/compliance-related activities; and (iv) convening and partnerships for knowledge transfer, networking and industrial cooperation. The UNIDO Field network, which is tasked with representing UNIDO in the field and feeding the local needs back to UNIDO Headquarters, is integrated into this Major Programme.

Development outcomes will be measured at the level of results achieved by Member States through UNIDO support. In addition, the effectiveness of UNIDO's programme management will be measured and reported.

Development results indicators[*]:

Creating shared prosperity		
Increased capacities of countries for addressing food security and other human security threats through industrial solutions	*(# of countries)*	Prog. C.1
Countries with enhanced participation and equal opportunities for women in political, economic and public life	*(# of countries)*	Prog. C.1
Countries in a post-crisis situation with increased livelihood opportunities for affected populations via restoring micro and small-scale enterprises, rehabilitation of damaged agricultural or industrial infrastructure, and employment creation	*(# of countries)*	Prog. C.1
Advancing economic competitiveness		
Enhanced capacity of countries to develop and implement policies and initiatives that support ISID through entrepreneurship, creativity and innovation, and encourage the formalization and growth of enterprises	*(# of countries)*	Prog. C.2
Increased capacity of countries in integrating small and medium industrial and other enterprises into national and global value chains and markets	*(# of countries)*	Prog. C.2
Higher levels of ISID achieved in countries, including through higher levels of private sector investments	*(# of countries)*	Prog. C.2

Safeguarding the environment		
Enhanced capacity of countries to implement multilateral environmental agreements (MEAs) and mainstream into national and subnational policy, planning, financial, and legal frameworks	*(# of countries)*	Prog. C.3
Countries with enhanced capacities to manage transformational shifts towards a low-emission and resilient development path, including through low-emission technologies	*(# of countries)*	Prog. C.3
Developing industrial statistical capacities		
Strengthened industrial statistics systems and related institutional capacities of countries	*(# of countries)*	Prog. C.4

* Data collection by Quality Monitoring Unit from all divisions.

*Indicators for programme management effectiveness**:

Portfolio management, results-based management (RBM), and monitoring and evaluation (M&E)		
Portfolio development (*number of new projects by region*)	*(number)*	M.Prog. C
Programmes as part of broader country frameworks	*(%)*	M.Prog. C
Programmes/projects rated *successful* at completion by evaluation (in terms of relevance, effectiveness, efficiency, sustainability) against set targets	*(%)*	M.Prog. C
Research — policy — TC linkages in programmes	*(%)*	M.Prog. C
Projects with adequate risk management systems in place	*(%)*	M.Prog. C
Projects with adequate log-frames/KPIs and targets/baseline surveys/beneficiary feedback/M&E system/progress reports based on results/GIS interactive maps for activity reporting	*(%)*	M.Prog. C
Partnership mobilization, gender mainstreaming, and knowledge management		
Amount of partnership-based co-financing/leveraging achieved	*(EUR)*	M.Prog. C
Projects with cross-organizational cooperation among branches and divisions	*(%)*	M.Prog. C
Programmes/projects with gender-responsive analysis, action and monitoring	*(%)*	M.Prog. C
Publications cited in professional journals	*(%)*	M.Prog. C

* Data collection by Quality Monitoring Unit from all divisions.

Resource estimates (in euros)

Positions			2016-2017 estimates (after recosting)			
Professional	General Service	Total		Regular budget	Operational budget	Total
226.45	**188.00**	**414.45**	Staff costs	54,803,530	24,373,100	79,176,630
			Consultants	1,583,400	1,469,900	3,053,300
			Meetings	567,859	194,100	761,959
			Official travel	1,674,100	1,936,000	3,610,100
			Operating costs	6,644,200	850,700	7,494,900
			Information and comm. techn.	796,700		796,700
			RPTC/SRA	8,530,380		8,530,380
			Total gross expenditure	**74,600,169**	**28,823,800**	**103,423,969**
			Income	(2,431,500)		(2,431,500)
Technical cooperation (extrabudgetary)		**329,816,200**	**Total net resources**	**72,168,669**	**28,823,800**	**100,992,469**
			Total resources (including extrabudgetary TC)			**430,808,669**

By programme

		Positions		Regular and operational budgets	Technical cooperation (extrabudgetary)	TOTAL
		P	GS			
C.1.	Creating Shared Prosperity	68.00	30.60	25,859,158	69,228,200	95,087,358
C.2.	Advancing Economic Competitiveness	52.25	23.35	19,207,933	80,166,900	99,374,883
C.3.	Safeguarding the Environment	68.15	35.45	29,284,245	176,055,600	205,339,845
C.4.	Cross-cutting Services	38.05	16.60	16,268,483	4,365,500	20,633,983
C.5.	Field Operations Support		82.00	10,372,600		10,372,600
C.	**Total Major Programme**	**226.45**	**188.00**	**100,992,469**	**329,816,200**	**430,808,669**

Programme C.1: Creating Shared Prosperity

Objective: To support poverty reduction and the creation of employment and income opportunities for all segments of society, including vulnerable groups and rural populations, through ISID, and especially through the promotion of small and medium-sized enterprises and agro-business.

General description: The programme provides an integrated range of services in skill development, vocational training towards productive work for women, youth and other vulnerable groups (including ethnic minorities, refugees, internally displaced people, disabled people and migrant workers), technology upgrading in traditional sectors such as food and non-food value chains, processing, culture-based and food related industries, and strengthening national capacities and capabilities for the development of industrial policies that pursue economic and social inclusion.

Programme Component C.1.1: Agribusiness and Rural Development

Objective: To promote sustainable, inclusive business opportunities for the rural poor through agri-business and agro-value chain development.

General description: This programme component aims at adding value to agricultural commodities including non-food sectors at various points of the chain of economic transactions that links input providers, farmers, traders, processors, logistic providers, distributors and retailers. The dominant conceptual framework remains that of agribusiness value chains: comprehensive analyses offer a rigorous base for the deployment of specialized services targeting the weaker links of the chain: agricultural mechanization, modern processing technologies, packaging of perishable products, as well as supporting initiatives to build human capital and raise total factor productivity through focused vocational training and skill development activities.

Programme Component C.1.2: Women and Youth in Productive Activities

Objective: To facilitate the increased participation of women and youth in productive actives, and enable them to benefit from these activities in ways that recognize the value of their contributions, respect their dignity and improve their ability to bring about positive change in society through improved access to economic resources and opportunities.

General description: This programme component addresses the distinct challenges faced by women and youth in participating in the productive sectors of the economy, particularly as it is widely acknowledged that they bear a disproportionate burden of global poverty. The primary focus of the programme component is on the knowledge, skills, technologies and business support services needed to enable women and youth to engage in productive activities, generate income, and thereby reduce poverty. The capacity of national governments to develop policies towards an enabling environment for economic growth that is gender- and age-responsive is also addressed through this programme component.

Programme Component C.1.3: Human Security and Post-crisis Rehabilitation

Objective: To enhance the human security of vulnerable groups by raising skills for greater (self-) employability and restoring productive capacities.

General description: The programme component contributes to the restoration of livelihoods devastated by conflicts and natural disasters by creating economic opportunities for the affected populations — internally displaced persons, demilitarized groups or simply civilians striving to rebuild their livelihoods. Post-crisis assistance includes restoring economic activity for affected micro and small-scale enterprises, rehabilitation of damaged agricultural or industrial infrastructure, employment creation and community stabilization.

Programme C.2: Advancing Economic Competitiveness

Objective: To enhance the economic competitiveness of countries, including their industrial supply capacities, ability to meet international standards and human resources, and to allow them to participate more effectively in global markets.

General description: The programme assists developing countries to overcome the significant problems they face in improving their international competitiveness, particularly through a focus on SME value chain development, necessary technologies and quality infrastructure, enhancing productivity and export potential and product competitiveness, and developing entrepreneurial human resources, particularly among young people. Furthermore, it engages in partnerships with relevant institutions to help accessing national, regional and global markets through enhanced productivity and trade capacities, and reduce rejections of products from developing countries, particularly in agro-industrial sectors, where food safety and sustainability concerns are paramount.

Programme Component C.2.1: Investment, Technology and SME Development

Objective: To strengthen the contribution of the private sector to ISID through fostering conducive business and investment environments and through implementing SME support programmes, including those promoting SME clusters and related technology transfer and diffusion.

General description: This programme component provides a suite of related services to enhance the contribution of the private sector to poverty eradication through ISID, with interventions at the policy, institutional and enterprise levels. The programme component advances policy environments that are conducive to doing business, particularly for SMEs, and spur related investment opportunities. The programme component also supports government policies and develops capacities that improve the competitiveness of private sector enterprises, and particularly of SMEs, and link up with markets for acquisition of skills, technology, finance, and global partnerships, including through export consortia and SME clusters and innovation.

Programme Component C.2.2:
Competitive Trade Capacities and Corporate Responsibility

Objective: To improve the competitive supply capacities of developing countries, and enable their enterprises to meet international market requirements, including quality, safety, and corporate responsibility-related standards.

General description: This programme component aims to strengthen the capacities of developing countries for participating in international trade, and specifically to enable them to meet market requirements for quantity, quality and safety of their products and services. The programme component further assists SMEs to integrate into global value chains by responding to social, ethical and environmental sustainability regulations and standards that play an increasingly important part in sourcing and buying decisions of governments, institutional buyers, and consumers, in addition to the more traditional price, quality and delivery (PQD) factors.

Programme Component C.2.3: Entrepreneurship Development

Objective: To enhance business opportunities, self-employment, and employability for all segments of the population, and particularly among young people, and to develop necessary industrial human resources for advancing ISID.

General description: This programme component strengthens national capacities that promote entrepreneurship and skills development among all segments of the

population, to advance opportunities for starting a business and to increase the employability of people, particularly among the youth. The programme component also encourages improvements in the regulatory and administrative environment to promote competitive entrepreneurial activities in the formal sector, including through broad-based curriculum development programmes for entrepreneurship education and skill trainings. Through this, it supports the development of necessary industrial and entrepreneurial human resources that build the foundation for private sector development and ISID.

Programme C.3: Safeguarding the Environment

Objective: To reduce environmental impacts through the increased use of renewable energies, the adoption of energy efficient practices in industry and cleaner production practices, policies and techniques, and other environmentally sustainable processes and technologies in industry.

General description: The programme contributes to advancing ISID by improving the environmental performance, resource productivity and safety of existing, as well as by supporting the creation of new industries providing environmental goods and services. Moreover, it is responsible for assisting countries in the transition to a sustainable energy future through the application of renewable energy for productive uses, adoption of the efficient use of energy by industry and the introduction of low carbon technologies and processes. The programme component also supports countries in their implementation of industry-related requirements related to multilateral environmental agreements (MEAs).

Programme Component C.3.1: Resource-efficient and Low-carbon Industrial Production

Objective: To enable countries to achieve a reduced level of consumption of natural resources, greenhouse gas and other emissions and industrial wastes in industrial processes.

General description: This programme component aims to increase the capacity of industry, government and environmental services providers, as well as intergovernmental and non-governmental entities, to scale up and mainstream the adoption of more resource-efficient and cleaner patterns of production, through recycling, resource recovery and/or environmentally sound treatment and disposal of wastes, waste waters and toxic and/or hazardous chemicals, and also in particular for the sustainable use and management of water and other natural resources used in industrial processes.

Programme Component C.3.2: Clean Energy Access for Productive Use

Objective: To enable countries to achieve an increased competitiveness through the use of renewable energy, thus achieving sustainable low-carbon industrial development.

General description: The programme component is responsible for enhancing the use of renewable sources of energy and efficient use of energy by industry, and for facilitating access to affordable and sustainable energy to support productive

activities and the income and employment opportunities they create, thereby contributing to the mitigation of climate change in developing countries and countries with economies in transition.

Programme Component C.3.3:
Implementation of Multilateral Environmental Agreements (MEA)

Objective: To support countries in meeting their obligations under the major MEA, such as the Montreal Protocol, the Stockholm Convention, the Minamata Convention on Mercury, and UNFCCC.

General description: The programme component aims to support countries in accessing non-ozone depleting substances (ODS) based technologies within the deadlines of the phase-out schedule set by the Montreal Protocol; to build the capacities of government offices and relevant national authorities responsible for its implementation with regard to the planning, developing and implementing national phase-out plans and sector phase-out plans; and to create or promote appropriate sustainable industrial technologies to be utilized within these plans. The programme component also supports countries to implement other MEA, including the Stockholm Convention on Persistent Organic Pollutants (POPs) and UNFCCC, and builds capacities to plan, develop and implement related industrial development aspects.

Programme C.4: Cross-cutting Services

Objective: To support policymakers, knowledge institutions, private sector, and other global stakeholders in industrial policy and partnership processes related to their aspirations and ISID-related plans.

General description: This programme comprises a number of cross-cutting services that support countries in implementing their ISID policies and programmes through targeted knowledge products, networking and partnership facilitation, including along a South-South axis, and rigorous results monitoring and reporting at all levels. The programme also supports countries in building their industrial policy and statistics capacities that are necessary for planning and operationalizing their ISID programmes.

Programme Component C.4.1: Advocacy and Outreach

Objective: To increase the understanding among countries and stakeholders of the importance of ISID in the global development context, including the role and achievements of UNIDO in advancing ISID.

General description: This programme component aims to enhance the understanding among all stakeholders of UNIDO of the crucial importance of ISID in the emerging global development context, including the Organization's visibility and image among key stakeholders, particularly its Member States. The programme component further communicates UNIDO's global mandate, policy priorities, programmes and activities to a wide audience through a broad array of communication and outreach techniques, including media relations, promotional material, Internet presence and social media.

Programme Component C.4.2: Industrial Policy Advice, Research and Statistics

Objective: To provide timely, relevant and evidence-based applied analysis of industrial development and strategic and area-specific industrial policy advice to Member States and international and regional organizations.

General description: This programme component is responsible for generating systematic data and diagnosis of issues related to national, regional and international processes of industrialization. It keeps abreast of the intellectual and academic discussion, as well as the economic, technological, environmental and policy trends that influence industrial development. It particularly draws on UNIDO's unique time series of industrial statistics. The programme component also develops strategic and industrial development policy recommendations and related advisory activities for supporting national governments in their policymaking processes, as well as for feeding into an informed debate at regional and international forums. In this context, it also develops national capacities for improved industrial statistics and policymaking, facilitates industrial policy processes in Member States and provides thematic and policy-related training courses through the UNIDO Institute for Capacity Development.

Programme Component C.4.3:
Partnerships Mobilization and South-South Cooperation

Objective: To provide a comprehensive, partnership-based drive to large-scale ISID efforts of countries.

General description: This programme component aims to provide countries with an all-encompassing and comprehensive approach to ISID, based on multi-stakeholder partnerships in fields of such as infrastructure, market access, foreign direct investment, technology transfer, and private sector development. Financing such development processes postulates public and private capital, and requires partnerships not only with the Government, but also with development finance institutions, development partners, and relevant private sector institutions. The comprehensive partnerships under this programme component are therefore designed to facilitate broad-based ISID efforts of governments, while targeting and aligning large investment flows into national industrialization programmes and schemes. Moreover, they facilitate the exchange technology, know-how, expertise, capital and other resources, both at a North-South and a South-South axis.

Programme Component C.4.4: Regional Programmes

Objective: To ensure regional adjustments and tailoring to programmatic activities, including through intra-regional knowledge and information sharing.

General description: This programme component aims to ensure that programmatic activities are embedded in a regional policy setting, and are adjusted in accordance to local country and regional needs demands in industrial development. A particular focus is also given to region-specific policy advice and policy coordination activities, supporting national governments in their industrial strategy development, and intraregional information for country level networking and knowledge sharing to foster inclusive and sustainable industrial development. Also under this programme component, country-level activities towards United Nations system-wide coherence are coordinated, and the ongoing dialogue with the UNRC and the

United Nations Country Teams, within the context of United Nations Development Assistance Framework (UNDAF), is maintained.

Programme Component C.4.5: Operational Efficiency and Results Monitoring

Objective: To ensure effective programme portfolio management, performance monitoring, and resource mobilization.

General description: This programme component aims to achieve greater effectiveness and impact of programmatic activities through advanced portfolio management, quality assurance, and results monitoring at all levels and in all functions. It also facilitates the related internal and external results reporting with regard to the programmatic activities of the Organization. The programme further aims to achieve adequate levels of mobilization of voluntary contributions to programmatic activities and ensures information services to donor institutions in accordance with their reporting rules and regulations.

Programme C.5: Field Operations Support

Objective: To provide the UNIDO field network with efficient operational support.

General description: This programme supports the UNIDO field network — consisting of regional and country offices, desks, and focal points — by providing operational and General Service-related requirements as well as related office infrastructure.

MAJOR PROGRAMME D: PROGRAMME SUPPORT SERVICES

Objective: To ensure organizational effectiveness and modernization of the Organization.

General description: This Major Programme provides operational support for the management of UNIDO and the implementation of its programmatic activities through human resource management, financial management, procurement and other support services.

Indicators for organizational effectiveness and modernization[*]:

Governance and management		
Transparency of activities and resource management	*(index)*	M Prog D
Comprehensive risk management framework	*(index)*	M Prog D
Capacity development and knowledge management		
Staff diversity (by geography, Professional/General Service, field, seniority)	*(index)*	Prog D.1
Gender parity and equality (at different grades)	*(%)*	Prog D.1
Staff professional development, learning and performance	*(index)*	Prog D.1
Asset and resource management, alignment, mobilization and stability		
Collection rate of assessed contributions	*(%)*	Prog D.2
Average payment delays of assessed contributions	*(days)*	Prog D.2
Vacancy ratio	*(%)*	Prog D.2
Funds mobilized, measured by net approvals	*(EUR)*	Prog D.2

% of voluntary contributions allocated to thematic fields	*(%)*	Prog. D 2
Implementation rate of programme and budgets	*(%)*	Prog. D 2
Business modernization and operational management		
Average procurement timelines	*(days)*	Prog. D 3
Expansion and diversification of UNIDO's vendor base	*(%)*	Prog. D 3
Satisfactory contract and contractor performance evaluation	*(%)*	Prog. D 3
Proportion of sustainable procurement transactions	*(%)*	Prog. D 3
Quality of enterprise resource planning (ERP) system, based on client surveys	*(index)*	Prog. D 5

*Data collection by Programme Support and General Management Division.

Resource estimates (in euros)

Positions			2016-2017 estimates (after recosting)			
Professional	General Service	Total		Regular budget	Operational budget	Total
43.00	**86.00**	**129.00**	Staff costs	20,313,600	4,872,500	25,186,100
			Consultants	207,000		207,000
			Official travel	196,900		196,900
			Operating costs	1,040,100		1,040,100
			Information and comm. techn.	7,203,500		7,203,500
			Total gross expenditure	**28,961,100**	**4,872,500**	**33,833,600**
			Total net resources	**28,961,100**	**4,872,500**	**33,833,600**

By programme

		Positions		Regular and operational budgets	Technical cooperation (extrabudgetary)	TOTAL
		P	GS			
D.1	Human Resource Management	10.00	19.00	6,286,900		6,286,900
D.2	Financial Services	11.00	30.00	7,660,200		7,660,200
D.3	Procurement and Logistics	10.00	22.00	8,148,800		8,148,800
D.4	Information and Communication Management	5.00	8.00	4,537,800		4,537,800
D.5	Business and Systems Support	5.00	4.00	6,021,200		6,021,200
D.6	Direction and Management	2.00	3.00	1,178,700		1,178,700
D.	**Total Major Programme**	**43.00**	**86.00**	**33,833,600**		**33,833,600**

Programme D.1: Human Resource Management

Objective: To provide UNIDO, in a timely manner, with appropriately qualified and motivated staff for the fulfilment of its mandate in promoting and supporting the efforts of countries towards achieving ISID.

General description: This programme develops and formulates specific human resource management (HRM) policies and procedures for UNIDO, and provides support to the other Major Programmes in meeting their human resource management requirements and priorities, including the highest standards of efficiency, competence and integrity, a wide and equitable geographical

representation and gender balance. HRM services include statutory services mandated by the staff regulations and rules as well as the regulations of the United Nations Joint Staff Pension Fund (UNJSPF). In addition to interacting with internal clients, managers and staff, the programme interacts with other organizations of the United Nations common system, and serves as the official interlocutor of UNIDO with the International Civil Service Commission (ICSC), Chief Executives Board for Coordination (CEB) HR Network, UNJSPF and health insurance providers.

Programme D.2: Financial Services

Objective: To ensure the financial integrity, credibility and transparency of UNIDO.

General description: This programme supports the work of UNIDO througn the provision of efficient and effective financial services including budgeting; financial control; financial planning; management of financial resources; cash management and treasury operations; management of assessed contributions; receipts and disbursements of all financial resources; accounting and reporting for regular and operational budget activities as well as all technical cooperation activities; and policy advice on financial issues. It also provides regular financial performance and status information to UNIDO stakeholders, including accurate and timely financial reports and cash-flow projections to the Organization's management to facilitate managerial decision-making and planning. The programme also manages and monitors all matters relating to assessed contributions, including following up with Member States on outstanding assessed contributions so as to maintain a high level of financial stability.

Programme D.3: Procurement and Logistics

Objective: To ensure enhanced responsiveness and quality by providing direct, efficient, transparent and cost-effective procurement, supply chain management and logistics support to all UNIDO activities.

General description: This programme provides the complete range of support services required by UNIDO for its programmatic activities. These include efficient, cost-effective and transparent procurement of goods, works and services; inventory and property records management; communications; travel, visas, transportation, and shipment services; and archives and registry services.

Programme Component D.3.1: Procurement Services

Objective: To ensure efficient, cost-effective, transparent and timely procurement of goods, works and services required for UNIDO's operations.

General description: This programme component provides for the acquisition of equipment, services and works in support of UNIDO technical cooperation programmes and Headquarters-related requirements. It is also responsible for the acquisition of equipment, services and works required for the maintenance and repair of buildings of the Vienna International Centre (VIC), for the operations of the VIC catering services, as well as for ongoing works. Activities under this programme component also involve procurement appraisals of new UNIDO

projects, assistance and guidance in the preparation of technical specifications, terms of reference and scope of works (where relevant and feasible also in regard to sustainable procurement), bidding, technical and commercial evaluation, contract award and management. In addition, the programme component will be involved in institutional assessment and procurement monitoring work. It sets up and manages long-term agreements, provides ad-hoc and regular training and capacity-building activities and manages the procurement helpdesk.

Programme Component D.3.2: Logistics Services

Objective: To ensure enhanced responsiveness and quality by providing direct, efficient and cost-effective logistics services.

General description: This programme component provides direct, efficient and cost-effective logistics services for all UNIDO activities. These include services related to the management of UNIDO's property at Headquarters, field offices and project sites; official travel, transportation, and shipment; communications; and the Organization's archives and registry records.

Programme D.4: Information and Communication Management

Objective: To ensure an efficient and effective utilization of information and communications technology (ICT) support services to improve UNIDO's operations.

General description: This programme is responsible for providing ICT services and support required to implement UNIDO's programme of work, and to facilitate the Organization's efforts to promote decentralization and expand its field presence through the provision of ICT strategy, policies, stable infrastructure management, security, state of the art information and knowledge management tools, and a high level of customer support at Headquarters and the field. The programme also acts as the focal point of UNIDO for the Organization's interactions with the United Nations on ICT-related matters.

Programme D.5: Business and Systems Support

Objective: To manage and coordinate ERP-related strategic and operational business needs in an efficient and cost-effective manner to contribute towards the continuous improvement of UNIDO's operations and levels of transparency.

General description: This programme manages the integrated enterprise resource planning (ERP) solution and ensures that it supports the business processes of the Organization. The programme's primary functions are to plan, coordinate and implement business and systems improvements, optimize existing processes and introduce ERP-and process-related changes to ensure a functioning and integrated solution. Furthermore, the programme will deal with the ERP service providers and manage all ERP-related contracts and outsourced services. It acts as the focal point on all ERP-related matters within the Organization and interactions with other United Nations and intergovernmental organizations.

Programme D.6: Direction and Management

Objective: To ensure the efficient and effective delivery of services to support UNIDO's activities, promote a culture of accountability and transparency, and to achieve organizational modernization.

General description: This programme identifies and determines the effective and efficient management of operational support for the management of UNIDO and the implementation of its programmatic activities, including human resource management, financial management, procurement and other support services. It also ensures the monitoring and measurement of the administrative efficiency of the organization and provides direction as to systematic modernization of the Organization.

MAJOR PROGRAMME E: BUILDINGS MANAGEMENT

Programmes E.1 and E.2: Common Buildings Management and Joint Buildings Management

Objective: To ensure the safe, reliable and cost-effective operation, maintenance, repair and modernization of the VIC complex and the associated installations and equipment according to local buildings regulations and standards as well as the VIC operating licence conditions.

General description: The Major Programme, and its two constituent programmes E.1 and E.2, provide for the management and administration of the operations, maintenance, repair and replacement of buildings and related installations and equipment in the VIC complex. Necessary repairs and maintenance work are carried out on a regular basis in accordance with commitments made to the Government of Austria, the owner of the complex, and to ensure the safe and reliable operation of the buildings.

This responsibility is derived under the terms of the Memorandum of Understanding on Common Services agreed by the VBOs. These services are provided by UNIDO on behalf of, and with financial resources contributed by, the VBOs.

Resource estimates (in euros)

Positions			2016-2017 estimates (after recosting)			
Professional	General Service	Total		Regular budget	Operational budget	Total
6.00	**106.00**	**112.00**	Staff costs	17,850,800		17,850,800
			Consultants	112,200		112,200
			Official travel	24,400		24,400
			Operating costs	37,073,400		37,073,400
			Total gross expenditure	**55,060,800**		**55,060,800**
			Income	(55,060,800)		(55,060,800)
			Total net resources			

Programme E.1: Common Buildings Management

2016-2017 estimates (after recosting)	
	Regular budget
Established positions	15,216,900
Overtime and night differential	829,800
General temporary assistance	784,000
Consultant fees and travel	112,200
Career development training	30,800
After-service medical coverage	300,700
Travel on official business	24,400
Rental and maint of premises	17,569,200
Utilities	17,334,200
Rental and maintenance of office equipment	133,500
Rental and maintenance of vehicles	20,600
Miscellaneous general operating expenses	34,900
Printing and binding	2,000
Hospitality	4,200
Supplies for Premises	174,500
Office Supplies	174,300
Fuel and Lubricants	32,600
Assets	224,800
Total gross expenditure	**53,003,600**
Other contributions to common operations	(6,229,800)
Other VBOs contribution to common operations	(37,563,220)
Withdrawal from special account	(2,378,500)
UNIDO contribution to common operations	(6,832,080)
Total income	**(53,003,600)**
Total net resources	

Programme E.2: Joint Buildings Management

2016-2017 estimates (after recosting)	
	Regular budget
Established positions	600,800
Overtime and night differential	12,900
General temporary assistance	74,900
Rental and maint. of premises	1,327,800
Assets	40,800
Total gross expenditure	**2,057,200**
Other VBOs contribution to common operat	(1,296,220)
UNIDO contribution to common operations	(760,980)
Total income	**(2,057,200)**
Total net resources	

MAJOR PROGRAMME F: INDIRECT COSTS

Programme F.1: Contribution to Shared Services and other Indirect Costs

Objective: The objective of the common and joint services is described in detail in the programme and budget documents of the responsible organizations. Common and Joint Buildings Management services are fully described under Major Programme E: Buildings Management.

General description: The programme collects the indirect costs and provides a transparent way of identifying these and monitoring their development over time. Indirect costs are those cost items of the budget that cannot be directly linked to any substantive programme or administrative service of the Organization. These costs are mainly attributable to VIC premises and UNIDO's participation in joint and common services with the other VBOs. In addition, the programme covers UNIDO's contributions to United Nations system-wide costs for joint activities and services, including those of the United Nations Resident Coordinator system. It also covers the after-service health insurance scheme.

The following are cost elements and drivers or distribution keys for UNIDO's contribution to the total costs:

(a) After-service health insurance (ASHI) — per retired staff;

(b) Joint medical services (IAEA) — 12.57 per cent;

(c) Joint language training (UNOV) — per enrolled staff;

(d) UNIDO contribution to Common Buildings Management — 15.389 per cent;

(e) Reimbursement to the Major Repair and Replacements Fund — 15.389 per cent (of total United Nations share);

(f) UNIDO contribution to Joint Buildings Management — 37 per cent;

(g) Language and documentation services (UNOV) — share based on workload;

(h) Security and safety services (UNOV) — 15.389 per cent;

(i) Contribution to joint activities with various United Nations bodies –by United Nations formulas;

(j) Joint communication services (UNOV) — 25.81 per cent.

The resource estimates under each of the above items are presented in the summary table. The total budgeted expenditure (at 2014-2015 costs) under contributions to the cost-shared services has increased by €1, 745,353 (8.18 per cent) as shown under the paragraphs below. An increase in the amount of €213,700 under UNIDO contribution to ASHI applicable to retired staff is estimated on the basis of actual costs incurred in 2014 and additional estimated costs resulting from retirements in 2015, 2016 and 2017. There is a slight cost decrease of €16,100 on the Joint Medical Services, and €39,500 on language and documentation services as well as a decrease of €99,390 on UNIDO contribution to Joint Buildings Management services that mainly reflects a decrease in the UNIDO share to 37 per cent.

The increase of €1,686,643 under contribution to joint activities with various United Nations bodies results from the inclusion of the full proportionate share attributable to UNIDO for the United Nations Resident Coordinator system budget. In the biennium 2014-2015 only the base fee was added to the biennial programmes and budgets. In 2016-2017 an additional amount of €1,693,600 is included together with the base fee of € 262,850 resulting in a total budget allocation for the UNRC system of € 1,956,450.

Programme F.1: Contribution to Shared Services and other Indirect Costs

Resource estimates (in euros)

Positions			2016-2017 estimates (after recosting)			
Professional	General Service	Total		Regular budget	Operational budget	Total
0.00	**0.00**	**0.00**	Staff costs	5,972,320		5,972,320
			Operating costs	17,179,540		17,179,540
			Information and comm. techn.	665,900		665,900
			Total gross expenditure	**23,817,760**		**23,817,760**
			Total net resources	**23,817,760**		**23,817,760**

Programme F.1: Contribution to Shared Services and other Indirect Costs

2016-2017 estimates (after recosting)	
	Regular budget
Joint Medical Services (IAEA)	550,120
Joint language training	72,600
After-service medical coverage	5,349,600
UNIDO contribution to common BMS	6,242,100
UNIDO contribution to joint BMS	760,980
Reimbursements to Major Repair Fund	542,401
Security and safety services (UNOV)	3,985,000
Joint language and docs. Services	1,757,495
Contribution to joint activities with United Nations bodies	3,891,564
Joint communication services UNOV	665,900
Total gross expenditure	**23,817,760**
Total income	
Total net resources	**23,817,760**

REGULAR PROGRAMME OF TECHNICAL COOPERATION

Objective: To improve the effectiveness of UNIDO's programme of work and strengthen its contribution to the United Nations development system.

General description: The programme is responsible for improving the effectiveness of the Organization's programmatic activities, as well as for strengthening the Organization's contribution to the goals of the broader United Nations development system. It emphasizes the differentiated needs of Member States at their diverse state of ISID, and supports the promotion of international industrial cooperation, with special attention to South-South cooperation.

MISCELLANEOUS INCOME

Estimated miscellaneous income for 2016-2017 amounts to €86,800 in the regular budget and €301,500 in the operational budget, details of which are shown in the following paragraphs.

A. Income on deposits

Estimates for income on deposits are based on anticipated interest earnings on cash balances in the General Fund, Working Capital Fund, and Operational Budget Account for Support Costs. Further, forecasts from the global investment market as well as the banking industry show that UNIDO will earn lower interest on Euro deposits and other instruments held with various banking institutions. Consequently, the income earned on deposits will be considerably lower with estimates of €16,800 under the regular budget and €301,500 in the operational budget for 2016-2017.

B. Sale of publications

Through its sales publications, UNIDO seeks to promote its image worldwide as the focal point of the United Nations in all matters concerning sustainable industrial development. A sales publication usually originates when a substantive unit considers it has produced a study with sufficiently wide appeal as to be saleable. If the study is the result of an expensive input of staff and consultant time, selling it is a means not only of disseminating the data or information gathered, but also of recouping at least part of the costs of its preparation.

The UNIDO Publications Sales Office manages the direct sale, promotion and distribution of UNIDO publications, reports and videos, including CD-ROM versions of older printed material. It is also responsible for the preparation of an annual publications catalogue and for maintaining the UNIDO publications website, through which publications may be obtained directly through an online catalogue and ordering mechanism. UNIDO publications are also sold through various distributors, including the United Nations. The UNIDO Publications Sales Office is the focal point for communication with the United Nations Publications Section in New York and Geneva in respect of UNIDO's participation at book fairs and for translation agreements of UNIDO publications with other parties.

Sales publication revolving fund

In 2000-2001, a sales publications revolving fund was established with income earned from the sale of publications during the biennium. The fund supports the longer-range planning of publication activities, including promotion, marketing, translation and re-printing of publications and CD-ROMs. During a biennium, one-half of the sales to the fund is credited to miscellaneous income to ensure that the anticipated credit against Member States' contributions for sales of publications is maintained. The fund covers costs, which under the current procedures are set off against revenues. Unless there is a marked increase in sales activity, the sales publication revolving fund is expected to have a balance of €35,042 by the end of the biennium. The table presents the anticipated financial activity during the biennium under the fund:

Revolving fund for sales publications — Estimates of gross and net revenue (in euros at 2014-2015 costs)

		Revised Estimates for 2014-2015		Budget Estimates for 2016-2017	
		Sales publications revolving fund 2014/15	Miscellaneous Income 2014/15	Sales publications revolving fund 2016/17	Miscellaneous Income 2016/17
540110	Gross sales	76,000	76,000	70,000	70,000
330000	Revolving fund balance of the previous biennium	231,533		148,042	
	Total Income	307,533	76,000	218,042	70,000
610200	General Temporary Assistance	–		–	
610300	Consultants	112,651		100,000	
620100	Travel	26,795		40,000	
630190	Other General Operating Expenses	1,000		–	
630310	Printing	6,199		40,000	
630330	Translation	4,500		–	
630350	Advertising and Promotion	3,806		–	

630360	Hospitality	2,500		–	
630600	Assets	–		–	
630700	Miscellaneous/bank charges	2,040		3,000	
640150	IT Assets	–		–	
	Total expenses	159,491		183,000	
330000	Publications revolving fund	148,042		35,042	

Funds will be required for relevant projects and for organizing special promotional activities. Resources will be required for journal advertisements and other promotional activities. Funding is required for translation and reprints of sales publications, CD-ROMs, planned publications and production of electronic statistical publications involving consultancy services, equipment and material for which provision in the regular budget is insufficient. Additional consultancy services will also be needed for undertaking peer reviews of selected publications. Miscellaneous expenditures relate to mailing costs and bank charges.

Annex A

Table 1. Regular and operational budget expenditure and income by Major Programme and programme

(In euros)

Programme		2014-2015 approved budget a/ 1	2016-2017 resource growth at 2014-2015 rates 2	2016-2017 resource requirements at 2014-2015 rates 3	Recosting to 2016-2017 rates 4	2016-2017 resource requirements at 2016-2017 rates 5	Per cent of total budget 2014-2015 6	Per cent of total budget 2016-2017 7
Expenditure								
A	POLICYMAKING ORGANS							
A.1	Meetings of the Policymaking Organs	2,893,000		2,893,000	166,300	3,059,300	1.6%	1.7%
A.2	Policymaking Organs Secretariat and Relations with Member States	1,891,500	(2,800)	1,888,700	30,400	1,919,100	1.1%	1.1%
Subtotal		**4,784,500**	**(2,800)**	**4,781,700**	**196,700**	**4,978,400**	**2.7%**	**2.8%**
B	EXECUTIVE DIRECTION AND STRATEGIC MANAGEMENT							
B.1	Executive Direction and Strategic Management	7,841,616	(38,306)	7,803,310	142,860	7,946,170	4.4%	4.4%
B.2	Evaluation	1,777,800		1,777,800	24,200	1,802,000	1.0%	1.0%
B.3	Legal Services	1,304,900		1,304,900	13,600	1,318,500	0.7%	0.7%
B.4	Internal Oversight	1,559,400		1,559,400	18,000	1,577,400	0.9%	0.9%
B.5	Ethics and Accountability	58,700		58,700	1,000	59,700	0.0%	0.0%
Subtotal		**12,542,416**	**(38,306)**	**12,504,110**	**199,660**	**12,703,770**	**7.0%**	**7.1%**
C	THEMATIC PROGRAMME FRAMEWORK TOWARDS INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT							
C.1	Creating Shared Prosperity	26,980,444	(1,291,025)	25,689,419	459,939	26,149,358	15.0%	14.6%
C.2	Advancing Economic Competitiveness	20,971,522	(1,875,839)	19,095,683	338,500	19,434,183	11.6%	10.9%
C.3	Safeguarding the Environment	32,798,533	(3,732,472)	29,066,061	552,384	29,618,445	18.2%	16.6%
C.4	Cross-cutting Services	17,275,191	(1,242,593)	16,032,598	295,485	16,328,083	9.6%	9.1%
C.5	Field Operations Support	11,908,500	(487,000)	11,421,500	472,400	11,893,900	6.6%	6.7%
Subtotal		**109,934,190**	**(8,628,929)**	**101,305,261**	**2,118,708**	**103,423,969**	**61.1%**	**57.9%**
D	PROGRAMME SUPPORT SERVICES							
D.1	Human Resource Management	6,111,300	(6,700)	6,104,600	182,300	6,286,900	3.4%	3.5%
D.2	Financial Services	7,378,300		7,378,300	281,900	7,660,200	4.1%	4.3%
D.3	Procurement and Logistics	7,969,300	(70,100)	7,899,200	249,600	8,148,800	4.4%	4.6%
D.4	Information and Communication Management	4,434,880	(14,980)	4,419,900	117,900	4,537,800	2.5%	2.5%
D.5	Business and Systems Support	4,416,820	1,484,980	5,901,800	119,400	6,021,200	2.5%	3.4%
D.6	Direction and Management	1,158,300	(10,000)	1,148,300	30,400	1,178,700	0.6%	0.7%
Subtotal		**31,468,900**	**1,383,200**	**32,852,100**	**981,500**	**33,833,600**	**17.5%**	**18.9%**
F	INDIRECT COSTS							
F.1	Contribution to Shared Services and other Indirect Costs	21,340,407	1,745,353	23,085,760	732,000	23,817,760	11.9%	13.3%
Subtotal		**21,340,407**	**1,745,353**	**23,085,760**	**732,000**	**23,817,760**	**11.9%**	**13.3%**
TOTAL expenditure (excl. Major Programme E)		**180,070,413**	**(5,541,482)**	**174,528,931**	**4,228,568**	**178,757,499**	**100.0%**	**100.0%**
E	BUILDINGS MANAGEMENT							
E.1	Common Buildings Management	53,101,900	(1,694,900)	51,407,000	1,596,600	53,003,600	96.4%	96.3%
E.2	Joint Buildings Management	1,989,400		1,989,400	67,800	2,057,200	3.6%	3.7%
TOTAL expenditure (Major Programme E)		**55,091,300**	**(1,694,900)**	**53,396,400**	**1,664,400**	**55,060,800**	**100.0%**	**100.0%**

(Continued next page)

a/ Reflects budget adjustments to the base

Table 1 (continued)

Programme		2014-2015 approved budget a/ 1	2016-2017 resource growth at 2014-2015 rates 2	2016-2017 resource requirements at 2014-2015 rates 3	Recosting to 2016-2017 rates 4	2016-2017 resource requirements at 2016-2017 rates 5	Per cent of total budget 2014-2015 6	Per cent of total budget 2016-2017 7
Income								
A	POLICYMAKING ORGANS							
Subtotal							**0.0%**	**0.0%**
B	EXECUTIVE DIRECTION AND STRATEGIC MANAGEMENT							
Subtotal							**0.0%**	**0.0%**
C	THEMATIC PROGRAMME FRAMEWORK: TOWARDS INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT							
C 1	Creating Shared Prosperity	290,200		290,200		290,200	8.1%	10.3%
C 2	Advancing Economic Competitiveness	226,200		226,200		226,200	6.4%	8.0%
C 3	Safeguarding the Environment	334,200		334,200		334,200	9.4%	11.9%
C 4	Cross-cutting Services	59,600		59,600		59,600	1.7%	2.1%
C 5	Field Operations Support	1,521,300		1,521,300		1,521,300	42.7%	54.0%
Subtotal		**2,431,500**		**2,431,500**		**2,431,500**	**68.3%**	**86.2%**
D	PROGRAMME SUPPORT SERVICES							
Subtotal							**0.0%**	**0.0%**
F	INDIRECT COSTS							
Subtotal							**0.0%**	**0.0%**
Miscellaneous Income		1,129,800	(741,500)	388,300		388,300	31.7%	13.8%
TOTAL income (excl. Major Programme E)		**3,561,300**	**(741,500)**	**2,819,800**		**2,819,800**	**100.0%**	**100.0%**
E	BUILDINGS MANAGEMENT							
E 1	Common Buildings Management	53,101,900	(1,694,900)	51,407,000	1,596,600	53,003,600	96.4%	96.3%
E 2	Joint Buildings Management	1,989,400		1,989,400	67,800	2,057,200	3.6%	3.7%
TOTAL income (Major Programme E)		**55,091,300**	**(1,694,900)**	**53,396,400**	**1,664,400**	**55,060,800**	**100.0%**	**100.0%**
NET GRAND TOTAL		**176,509,113**	**(4,799,982)**	**171,709,131**	**4,228,568**	**175,937,699**		

a/ Reflects budget adjustments to the base.

Annex A

Table 2. Regular budget expenditure and income by Major Programme and programme

(In euros)

Programme		2014-2015 approved budget a/ 1	2016-2017 resource growth at 2014-2015 rates 2	2016-2017 resource requirements at 2014-2015 rates 3	Recosting to 2016-2017 rates 4	2016-2017 resource requirements at 2016-2017 rates 5	Per cent of total budget 2014-2015 6	2016-2017 7
Expenditure								
A	POLICYMAKING ORGANS							
A.1	Meetings of the Policymaking Organs	2,804,000		2,804,000	164,500	2,968,500	1.9%	2.1%
A.2	Policymaking Organs Secretariat and Relations with Member States	1,891,500	(2,800)	1,888,700	30,400	1,919,100	1.3%	1.3%
Subtotal		**4,695,500**	**(2,800)**	**4,692,700**	**194,900**	**4,887,600**	**3.2%**	**3.4%**
B	EXECUTIVE DIRECTION AND STRATEGIC MANAGEMENT							
B.1	Executive Direction and Strategic Management	7,841,616	(38,306)	7,803,310	142,860	7,946,170	5.3%	5.5%
B.2	Evaluation	1,777,800		1,777,800	24,200	1,802,000	1.2%	1.2%
B.3	Legal Services	1,025,600		1,025,600	13,800	1,039,400	0.7%	0.7%
B.4	Internal Oversight	1,559,400		1,559,400	18,000	1,577,400	1.1%	1.1%
B.5	Ethics and Accountability	58,700		58,700	1,000	59,700	0.0%	0.0%
Subtotal		**12,263,116**	**(38,306)**	**12,224,810**	**199,860**	**12,424,670**	**8.3%**	**8.6%**
C	THEMATIC PROGRAMME FRAMEWORK: TOWARDS INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT							
C.1	Creating Shared Prosperity	21,018,309	(2,061,995)	18,956,314	235,789	19,192,103	14.3%	13.3%
C.2	Advancing Economic Competitiveness	14,286,332	(1,438,849)	12,847,483	190,140	13,037,623	9.7%	9.0%
C.3	Safeguarding the Environment	21,776,398	(3,740,067)	18,036,331	260,949	18,297,280	14.8%	12.6%
C.4	Cross-cutting Services	14,133,451	(1,250,118)	12,883,333	203,730	13,087,063	9.6%	9.0%
C.5	Field Operations Support	10,945,200	(385,600)	10,559,600	426,500	10,986,100	7.4%	7.6%
Subtotal		**82,159,690**	**(8,876,629)**	**73,283,061**	**1,317,108**	**74,600,169**	**55.8%**	**51.6%**
D	PROGRAMME SUPPORT SERVICES							
D.1	Human Resource Management	4,562,100	(6,700)	4,555,400	100,600	4,656,000	3.1%	3.2%
D.2	Financial Services	5,357,600		5,357,600	189,100	5,546,700	3.6%	3.8%
D.3	Procurement and Logistics	6,862,600	(70,100)	6,792,500	228,200	7,020,700	4.7%	4.9%
D.4	Information and Communication Management	4,434,880	(14,980)	4,419,900	117,900	4,537,800	3.0%	3.1%
D.5	Business and Systems Support	4,416,820	1,484,980	5,901,800	119,400	6,021,200	3.0%	4.2%
D.6	Direction and Management	1,158,300	(10,000)	1,148,300	30,400	1,178,700	0.8%	0.8%
Subtotal		**26,792,300**	**1,383,200**	**28,175,500**	**785,600**	**28,961,100**	**18.2%**	**20.0%**
F	INDIRECT COSTS							
F.1	Contribution to Shared Services and other Indirect Costs	21,340,407	1,745,353	23,085,760	732,000	23,817,760	14.5%	16.5%
Subtotal		**21,340,407**	**1,745,353**	**23,085,760**	**732,000**	**23,817,760**	**14.5%**	**16.5%**
TOTAL expenditure (excl. Major Programme E)		**147,251,013**	**(5,789,182)**	**141,461,831**	**3,229,468**	**144,691,299**	**100.0%**	**100.0%**
E	BUILDINGS MANAGEMENT							
E.1	Common Buildings Management	53,101,900	(1,694,900)	51,407,000	1,596,600	53,003,600	96.4%	96.3%
E.2	Joint Buildings Management	1,989,400		1,989,400	67,800	2,057,200	3.6%	3.7%
TOTAL expenditure (Major Programme E)		**55,091,300**	**(1,694,900)**	**53,396,400**	**1,664,400**	**55,060,800**	**100.0%**	**100.0%**

(Continued next page)

a/ Reflects budget adjustments to the base

Table 2 (continued)

Programme	2014-2015 approved budget a/ 1	2016-2017 resource growth at 2014-2015 rates 2	2016-2017 resource requirements at 2014-2015 rates 3	Recosting to 2016-2017 rates 4	2016-2017 resource requirements at 2016-2017 rates 5	Per cent of total budget 2014-2015 6	Per cent of total budget 2016-2017 7
Income							
A POLICYMAKING ORGANS							
Subtotal						**0.0%**	**0.0%**
B EXECUTIVE DIRECTION AND STRATEGIC MANAGEMENT							
Subtotal						**0.0%**	**0.0%**
C THEMATIC PROGRAMME FRAMEWORK TOWARDS INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT							
C.1 Creating Shared Prosperity	290,200		290,200		290,200	8.3%	11.5%
C.2 Advancing Economic Competitiveness	226,200		226,200		226,200	6.4%	9.0%
C.3 Safeguarding the Environment	334,200		334,200		334,200	9.5%	13.3%
C.4 Cross-cutting Services	59,600		59,600		59,600	1.7%	2.4%
C.5 Field Operations Support	1,521,300		1,521,300		1,521,300	43.4%	60.4%
Subtotal	**2,431,500**		**2,431,500**		**2,431,500**	**69.3%**	**96.6%**
D PROGRAMME SUPPORT SERVICES							
Subtotal						**0.0%**	**0.0%**
F INDIRECT COSTS							
Subtotal						**0.0%**	**0.0%**
Miscellaneous Income	1,076,000	(989,200)	86,800		86,800	30.7%	3.4%
TOTAL income (excl. Major Programme E)	**3,507,500**	**(989,200)**	**2,518,300**		**2,518,300**	**100.0%**	**100.0%**
E BUILDINGS MANAGEMENT							
E.1 Common Buildings Management	53,101,900	(1,694,900)	51,407,000	1,596,600	53,003,600	96.4%	96.3%
E.2 Joint Buildings Management	1,989,400		1,989,400	67,800	2,057,200	3.6%	3.7%
TOTAL income (Major Programme E)	**55,091,300**	**(1,694,900)**	**53,396,400**	**1,664,400**	**55,060,800**	**100.0%**	**100.0%**
NET GRAND TOTAL	**143,743,513**	**(4,799,982)**	**138,943,531**	**3,228,468**	**142,172,999**		

a/ Reflects budget adjustments to the base

Annex A

Table 3. Operational budget expenditure and income by Major Programme and programme
(In euros)

Programme		2014-2015 approved budget a/ 1	2016-2017 resource growth at 2014-2015 rates 2	2016-2017 resource requirements at 2014-2015 rates 3	Recosting to 2016-2017 rates 4	2016-2017 resource requirements at 2016-2017 rates 5	Per cent of total budget 2014-2015 6	Per cent of total budget 2016-2017 7
Expenditure								
A	POLICYMAKING ORGANS							
A 1	Meetings of the Policymaking Organs	89,000		89,000	1,800	90,800	0.3%	0.3%
Subtotal		**89,000**		**89,000**	**1,800**	**90,800**	**0.3%**	**0.3%**
B	EXECUTIVE DIRECTION AND STRATEGIC MANAGEMENT							
B 3	Legal Services	279,300		279,300	(200)	279,100	0.9%	0.8%
Subtotal		**279,300**		**279,300**	**(200)**	**279,100**	**0.9%**	**0.8%**
C	THEMATIC PROGRAMME FRAMEWORK TOWARDS INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT							
C 1	Creating Shared Prosperity	5,962,135	770,970	6,733,105	224,150	6,957,255	18.2%	20.4%
C 2	Advancing Economic Competitiveness	6,685,190	(436,990)	6,248,200	148,360	6,396,560	20.4%	18.8%
C 3	Safeguarding the Environment	11,022,135	7,595	11,029,730	291,435	11,321,165	33.6%	33.2%
C 4	Cross-cutting Services	3,141,740	7,525	3,149,265	91,755	3,241,020	9.6%	9.5%
C 5	Field Operations Support	963,300	(101,400)	861,900	45,900	907,800	2.9%	2.7%
Subtotal		**27,774,500**	**247,700**	**28,022,200**	**801,600**	**28,823,800**	**84.6%**	**84.6%**
D	PROGRAMME SUPPORT SERVICES							
D 1	Human Resource Management	1,549,200		1,549,200	81,700	1,630,900	4.7%	4.8%
D 2	Financial Services	2,020,700		2,020,700	92,800	2,113,500	6.2%	6.2%
D 3	Procurement and Logistics	1,106,700		1,106,700	21,400	1,128,100	3.4%	3.3%
Subtotal		**4,676,600**		**4,676,600**	**195,900**	**4,872,500**	**14.2%**	**14.3%**
F	INDIRECT COSTS							
Subtotal							**0.0%**	**0.0%**
TOTAL expenditure (excl. Major Programme E)		**32,819,400**	**247,700**	**33,067,100**	**999,100**	**34,066,200**	**100.0%**	**100.0%**
E	BUILDINGS MANAGEMENT							
TOTAL expenditure (Major Programme E)								

(Continued next page)

a/ Reflects budget adjustments to the base

Table 3 (continued)

Programme	2014-2015 approved budget a/ 1	2016-2017 resource growth at 2014-2015 rates 2	2016-2017 resource requirements at 2014-2015 rates 3	Recosting to 2016-2017 rates 4	2016-2017 resource requirements at 2016-2017 rates 5	Per cent of total budget 2014-2015 6	Per cent of total budget 2016-2017 7
Income							
A POLICYMAKING ORGANS							
Subtotal						**0.0%**	**0.0%**
B EXECUTIVE DIRECTION AND STRATEGIC MANAGEMENT							
Subtotal						**0.0%**	**0.0%**
C THEMATIC PROGRAMME FRAMEWORK TOWARDS INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT							
Subtotal						**0.0%**	**0.0%**
D PROGRAMME SUPPORT SERVICES							
Subtotal						**0.0%**	**0.0%**
F INDIRECT COSTS							
Subtotal						**0.0%**	**0.0%**
Miscellaneous Income	53,800	247,700	301,500		301,500	100.0%	100.0%
TOTAL income (excl. Major Programme E)	**53,800**	**247,700**	**301,500**		**301,500**	**100.0%**	**100.0%**
E BUILDINGS MANAGEMENT							
TOTAL income (Major Programme E)							
NET GRAND TOTAL	**32,765,600**		**32,765,600**	**999,100**	**33,764,700**		

a/ Reflects budget adjustments to the base

Annex B

Table 1. Regular and operational budget expenditure and income by programme and major object of expenditure at 2014-2015 rates

(In euros)

Programme	Staff costs		Official travel		Operating costs		Information and communication technology		RPTC and SRA activities		Total expenditure		Income		Net requirements	
	2014-2015 a/	2016-2017	2014-2015 a/	2016-2017	2014-2015 a/	2016-2017	2014-2015 a/	2016-2017	2014-2015 a/	2016-2017	2014-2015 a/	2016-2017	2014-2015 a/	2016-2017	2014-2015 a/	2016-2017
A POLICYMAKING ORGANS																
A.1 Meetings of the Policymaking Organs	81,800	81,800	24,700	24,700	2,786,500	2,786,500					2,893,000	2,893,000			2,893,000	2,893,000
A.2 Policymaking Organs Secretariat and Relations with Member States	1,771,600	1,771,600	13,800	31,000	86,100	86,100					1,891,500	1,888,700			1,891,500	1,888,700
Subtotal	**1,853,400**	**1,853,400**	**38,500**	**55,700**	**2,872,600**	**2,872,600**					**4,784,500**	**4,781,700**			**4,784,500**	**4,781,700**
B EXECUTIVE DIRECTION AND STRATEGIC MANAGEMENT																
B.1 Executive Direction and Strategic Management	6,244,460	6,208,910	696,256	710,200	718,100	730,100	182,800	154,100			7,841,616	7,803,310			7,841,616	7,803,310
B.2 Evaluation	1,739,700	1,739,700	25,100	25,100	13,000	13,000					1,777,800	1,777,800			1,777,800	1,777,800
B.3 Legal Services	1,280,800	1,280,800	8,300	8,300	15,800	15,800					1,304,900	1,304,900			1,304,900	1,304,900
B.4 Internal Oversight	1,462,900	1,464,100	80,900	83,500	4,400	4,400	11,200	7,400			1,559,400	1,559,400			1,559,400	1,559,400
B.5 Ethics and Accountability	40,000	40,000	16,700	16,700	2,000	2,000					58,700	58,700			58,700	58,700
Subtotal	**10,767,860**	**10,733,510**	**827,256**	**843,800**	**753,300**	**765,300**	**194,000**	**161,500**			**12,542,416**	**12,504,110**			**12,542,416**	**12,504,110**
C THEMATIC PROGRAMME FRAMEWORK TOWARDS INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT																
C.1 Creating Shared Prosperity	19,858,255	21,985,705	184,700	184,600	102,300	95,500			6,835,189	3,423,614	26,980,444	25,689,419	(290,200)	(290,200)	26,690,244	25,399,219
C.2 Advancing Economic Competitiveness	18,765,185	16,953,780	285,500	285,300	125,200	124,800			1,795,637	1,731,803	20,971,522	19,095,683	(226,200)	(226,200)	20,745,322	18,869,483
C.3 Safeguarding the Environment	25,671,320	23,745,069	711,400	1,556,800	1,711,380	1,067,900			4,704,433	2,696,292	32,798,533	29,066,061	(334,200)	(334,200)	32,464,333	28,731,861
C.4 Cross-cutting Services	14,686,580	13,789,495	985,100	1,095,300	779,297	715,300	3,000	17,600	821,214	484,903	17,275,191	16,032,598	(59,600)	(59,600)	17,215,591	15,972,998
C.5 Field Operations Support	4,931,900	4,930,190	943,000	905,000	5,011,600	5,233,000	1,022,000	753,400			11,908,500	11,821,500	(1,521,300)	(1,521,300)	10,387,200	9,900,200
Subtotal	**83,913,240**	**81,404,149**	**3,109,700**	**3,537,000**	**7,729,777**	**7,256,500**	**1,025,000**	**771,000**	**14,156,473**	**8,336,612**	**109,934,190**	**101,305,261**	**(2,431,500)**	**(2,431,500)**	**107,502,690**	**98,873,761**
D PROGRAMME SUPPORT SERVICES																
D.1 Human Resource Management	6,065,600	6,059,600	38,500	37,800	7,200	7,200					6,111,300	6,104,600			6,111,300	6,104,600
D.2 Financial Services	7,337,100	7,322,700	33,900	23,900	7,300	31,700					7,378,300	7,378,300			7,378,300	7,378,300
D.3 Procurement and Logistics	5,965,400	5,958,000	26,600	38,000	884,300	883,200	1,093,000	1,020,000			7,969,300	7,899,200			7,969,300	7,899,200
D.4 Information and Communication Management	2,403,900	2,403,900	14,200	14,200	103,000	83,000	1,913,780	1,918,800			4,434,880	4,419,900			4,434,880	4,419,900
D.5 Business and Systems Support	1,766,500	1,754,000	8,300	20,900		200	2,642,020	4,127,600			4,416,820	5,901,800			4,416,820	5,901,800
D.6 Direction and Management	1,079,300	1,079,300	69,600	59,600	9,400	9,400					1,158,300	1,148,300			1,158,300	1,148,300
Subtotal	**24,617,800**	**24,577,500**	**191,100**	**193,500**	**1,011,200**	**1,014,700**	**5,648,800**	**7,066,400**			**31,468,900**	**32,852,100**			**31,468,900**	**32,852,100**
F INDIRECT COSTS																
F.1 Contribution to Shared Services and other Indirect Costs	5,629,920	5,827,520			15,063,087	16,610,840	647,400	647,400			21,340,407	23,085,760			21,340,407	23,085,760
Subtotal	**5,629,920**	**5,827,520**			**15,063,087**	**16,610,840**	**647,400**	**647,400**			**21,340,407**	**23,085,760**			**21,340,407**	**23,085,760**
Miscellaneous Income													(1,129,800)	(388,300)	(1,129,800)	(388,300)
TOTAL (excl. Major Programme E)	**126,782,220**	**124,396,079**	**4,186,556**	**4,630,000**	**27,429,964**	**28,519,940**	**7,515,200**	**8,646,300**	**14,156,473**	**8,336,612**	**180,070,413**	**174,528,931**	**(3,561,300)**	**(2,819,800)**	**176,509,113**	**171,709,131**
E BUILDINGS MANAGEMENT																
E.1 Common Buildings Management	16,644,800	16,660,000	20,000	24,000	36,437,100	34,723,000					53,101,900	51,407,000	(53,101,900)	(51,407,000)		
E.2 Joint Buildings Management	440,600	650,400			1,548,800	1,339,000					1,989,400	1,989,400	(1,989,400)	(1,989,400)		
TOTAL (Major Programme E)	**17,085,400**	**17,310,400**	**20,000**	**24,000**	**37,985,900**	**36,062,000**					**55,091,300**	**53,396,400**	**(55,091,300)**	**(53,396,400)**		

Annex B

Table 2. Regular budget expenditure and income by programme and major object of expenditure at 2014-2015 rates
(In euros)

Programme	Staff costs		Official travel		Operating costs		Information and communication technology		RPTC and SRA activities		Total expenditure		Income		Net requirements	
	2014 - 2015 a/	2016 - 2017	2014 - 2015 a/	2016 - 2017	2014 - 2015 a/	2016 - 2017	2014 - 2015 a/	2016 - 2017	2014 - 2015 a/	2016 - 2017	2014 - 2015 a/	2016 - 2017	2014 - 2015 a/	2016 - 2017	2014 - 2015 a/	2016 - 2017
A POLICYMAKING ORGANS																
A.1 Meetings of the Policymaking Organs	81,800	81,800	24,700	24,700	2,697,500	2,697,500					2,804,000	2,804,000			2,804,000	2,804,000
A.2 Policymaking Organs Secretariat and Relations with Member States	1,771,600	1,771,600	13,800	31,000	86,100	86,100					1,891,500	1,888,700			1,891,500	1,888,700
Subtotal	**1,853,400**	**1,853,400**	**38,500**	**55,700**	**2,783,600**	**2,783,600**					**4,695,500**	**4,692,700**			**4,695,500**	**4,692,700**
B EXECUTIVE DIRECTION AND STRATEGIC MANAGEMENT																
B.1 Executive Direction and Strategic Management	6,244,460	6,208,910	696,256	710,200	718,100	730,100	182,800	154,100			7,841,616	7,803,310			7,841,616	7,803,310
B.2 Evaluation	1,739,700	1,739,700	25,100	25,100	13,000	13,000					1,777,800	1,777,800			1,777,800	1,777,800
B.3 Legal Services	1,001,500	1,001,500	8,300	8,300	15,800	15,800					1,025,600	1,025,600			1,025,600	1,025,600
B.4 Internal Oversight	1,462,900	1,464,100	80,900	83,500	4,400	4,400	11,200	7,400			1,559,400	1,559,400			1,559,400	1,559,400
B.5 Ethics and Accountability	40,000	40,000	16,700	16,700	2,000	2,000					58,700	58,700			58,700	58,700
Subtotal	**10,488,560**	**10,454,210**	**827,256**	**843,800**	**753,300**	**765,300**	**194,000**	**161,500**			**12,263,116**	**12,224,810**			**12,263,116**	**12,224,810**
C THEMATIC PROGRAMME FRAMEWORK TOWARDS INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT																
C.1 Creating Shared Prosperity	14,030,620	15,387,000	50,200	50,200	102,300	95,500			6,835,189	3,423,614	21,018,309	18,956,314	(290,200)	(290,200)	20,728,109	18,666,114
C.2 Advancing Economic Competitiveness	12,343,795	10,969,180	21,700	21,700	125,200	124,800			1,795,637	1,731,803	14,286,332	12,847,483	(226,200)	(226,200)	14,060,132	12,621,283
C.3 Safeguarding the Environment	16,860,185	14,612,139	37,700	492,300	174,080	235,600			4,704,433	2,696,292	21,776,398	18,036,331	(334,200)	(334,200)	21,442,198	17,702,131
C.4 Cross-cutting Services	12,001,040	11,081,830	528,900	563,700	779,297	735,300	3,000	17,600	821,216	484,903	14,133,451	12,883,333	(59,600)	(59,600)	14,073,851	12,823,733
C.5 Field Operations Support	3,968,600	4,068,200	943,000	505,000	5,011,600	5,233,000	1,022,000	753,400			10,945,200	10,559,600	(1,521,300)	(1,521,300)	9,423,900	9,038,300
Subtotal	**59,204,240**	**56,118,349**	**1,581,500**	**1,632,900**	**6,192,477**	**6,424,200**	**1,025,000**	**771,000**	**14,156,473**	**8,336,612**	**82,159,690**	**73,283,061**	**(2,431,500)**	**(2,431,500)**	**79,728,190**	**70,851,561**
D PROGRAMME SUPPORT SERVICES																
D.1 Human Resource Management	4,516,400	4,510,400	38,500	37,800	7,200	7,200					4,562,100	4,555,400			4,562,100	4,555,400
D.2 Financial Services	5,316,400	5,302,000	33,900	23,900	7,300	31,700					5,357,600	5,357,600			5,357,600	5,357,600
D.3 Procurement and Logistics	4,858,700	4,851,300	26,600	38,000	884,300	883,200	1,093,000	1,020,000			6,862,600	6,792,500			6,862,600	6,792,500
D.4 Information and Communication Management	2,403,900	2,403,900	14,200	14,200	103,000	83,000	1,913,780	1,918,800			4,434,880	4,419,900			4,434,880	4,419,900
D.5 Business and Systems Support	1,766,500	1,754,000	8,300	20,000		200	2,642,020	4,127,600			4,416,820	5,901,800			4,416,820	5,901,800
D.6 Direction and Management	1,079,300	1,079,300	69,600	59,600	9,400	9,400					1,158,300	1,148,300			1,158,300	1,148,300
Subtotal	**19,941,200**	**19,900,900**	**191,100**	**193,500**	**1,011,200**	**1,014,700**	**5,648,800**	**7,066,400**			**26,792,300**	**28,175,500**			**26,792,300**	**28,175,500**
F INDIRECT COSTS																
F.1 Contribution to Shared Services and other Indirect Costs	5,629,920	5,827,520			15,063,087	16,610,840	647,400	647,400			21,340,407	23,085,760			21,340,407	23,085,760
Subtotal	**5,629,920**	**5,827,520**			**15,063,087**	**16,610,840**	**647,400**	**647,400**			**21,340,407**	**23,085,760**			**21,340,407**	**23,085,760**
Miscellaneous Income													(1,076,000)	(86,800)	(1,076,000)	(86,800)
TOTAL (excl. Major Programme E)	**97,117,320**	**94,154,379**	**2,658,356**	**2,725,900**	**25,803,664**	**27,598,640**	**7,515,200**	**8,646,300**	**14,156,473**	**8,336,612**	**147,251,013**	**141,461,831**	**(3,507,500)**	**(2,518,300)**	**143,743,513**	**138,943,531**
E BUILDINGS MANAGEMENT																
E.1 Common Buildings Management	16,644,800	16,660,000	20,000	24,000	36,437,100	34,723,000					53,101,900	51,407,000	(53,101,900)	(51,407,000)		
E.2 Joint Buildings Management	440,600	650,400			1,548,800	1,339,000					1,989,400	1,989,400	(1,989,400)	(1,989,400)		
TOTAL (Major Programme E)	**17,085,400**	**17,310,400**	**20,000**	**24,000**	**37,985,900**	**36,062,000**					**55,091,300**	**53,396,400**	**(55,091,300)**	**(53,396,400)**		

a/ Reflects budget adjustments to the base.

Annex B

Table 3. Operational budget expenditure and income by programme and major object of expenditure at 2014-2015 rates

(In euros)

Programme	Staff costs		Official travel		Operating costs		Information and communication technology		RPTC and SRA activities		Total expenditure		Income		Net requirements	
	2014 - 2015 a/	2016 - 2017	2014 - 2015 a/	2016 - 2017	2014 - 2015 a/	2016 - 2017	2014 - 2015 a/	2016 - 2017	2014 - 2015 a/	2016 - 2017	2014 - 2015 a/	2016 - 2017	2014 - 2015 a/	2016 - 2017	2014 - 2015 a/	2016 - 2017
A POLICYMAKING ORGANS																
A 1 Meetings of the Policymaking Organs					89,000	89,000					89,000	89,000			89,000	89,000
Subtotal					**89,000**	**89,000**					**89,000**	**89,000**			**89,000**	**89,000**
B EXECUTIVE DIRECTION AND STRATEGIC MANAGEMENT																
B 3 Legal Services	279,300	279,300									279,300	279,300			279,300	279,300
Subtotal	**279,300**	**279,300**									**279,300**	**279,300**			**279,300**	**279,300**
C THEMATIC PROGRAMME FRAMEWORK TOWARDS INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT																
C 1 Creating Shared Prosperity	5,827,635	6,598,705	134,500	134,400							5,962,135	6,733,105			5,962,135	6,733,105
C 2 Advancing Economic Competitiveness	6,421,390	5,984,600	263,800	263,600							6,685,190	6,248,200			6,685,190	6,248,200
C 3 Safeguarding the Environment	8,811,135	9,132,930	673,700	1,064,500	1,537,300	832,300					11,022,135	11,029,730			11,022,135	11,029,730
C 4 Cross-cutting Services	2,685,540	2,707,665	456,200	441,600							3,141,740	3,149,265			3,141,740	3,149,265
C 5 Field Operations Support	963,300	861,900									963,300	861,900			963,300	861,900
Subtotal	**24,709,000**	**25,285,800**	**1,528,200**	**1,904,100**	**1,537,300**	**832,300**					**27,774,500**	**28,022,200**			**27,774,500**	**28,022,200**
D PROGRAMME SUPPORT SERVICES																
D 1 Human Resource Management	1,549,200	1,549,200									1,549,200	1,549,200			1,549,200	1,549,200
D 2 Financial Services	2,020,700	2,020,700									2,020,700	2,020,700			2,020,700	2,020,700
D 3 Procurement and Logistics	1,106,700	1,106,700									1,106,700	1,106,700			1,106,700	1,106,700
Subtotal	**4,676,600**	**4,676,600**									**4,676,600**	**4,676,600**			**4,676,600**	**4,676,600**
F INDIRECT COSTS																
Subtotal																
Miscellaneous Income													(53,800)	(301,500)	(53,800)	(301,500)
TOTAL (excl. Major Programme E)	**29,664,900**	**30,241,700**	**1,528,200**	**1,904,100**	**1,626,300**	**921,300**					**32,819,400**	**33,067,100**	**(53,800)**	**(301,500)**	**32,765,600**	**32,765,600**
E BUILDINGS MANAGEMENT																
TOTAL (Major Programme E)																

a/ Reflects budget adjustments to the base.

Annex C
Staffing by Major Programme and programme

Programme	Professional and above			General service		
	Regular budget	Operational budget	Total	Regular budget	Operational budget	Total
	1	2	3	4	5	6
A POLICYMAKING ORGANS						
A.2 Policymaking Organs Secretariat and Relations with Member States	5.00		5.00	3.00		3.00
Subtotal	**5.00**	**0.00**	**5.00**	**3.00**	**0.00**	**3.00**
B EXECUTIVE DIRECTION AND STRATEGIC MANAGEMENT						
B.1 Executive Direction and Strategic Management	11.55		11.55	11.00		11.00
B.2 Evaluation	4.00		4.00	3.00		3.00
B.3 Legal Services	2.00	1.00	3.00	2.00		2.00
B.4 Internal Oversight	4.00		4.00	2.00		2.00
Subtotal	**21.55**	**1.00**	**22.55**	**18.00**	**0.00**	**18.00**
C THEMATIC PROGRAMME FRAMEWORK: TOWARDS INCLUSIVE AND SUSTAINABLE INDUSTRIAL DEVELOPMENT						
C.1 Creating Shared Prosperity	43.40	24.60	68.00	20.10	10.50	30.60
C.2 Advancing Economic Competitiveness	28.60	23.65	52.25	18.70	4.65	23.35
C.3 Safeguarding the Environment	42.95	25.20	68.15	19.80	15.65	35.45
C.4 Cross-cutting Services	28.50	9.55	38.05	12.40	4.20	16.60
C.5 Field Operations Support				65.00	17.00	82.00
Subtotal	**143.45**	**83.00**	**226.45**	**136.00**	**52.00**	**188.00**
D PROGRAMME SUPPORT SERVICES						
D.1 Human Resource Management	9.00	1.00	10.00	10.00	9.00	19.00
D.2 Financial Services	9.00	2.00	11.00	20.00	10.00	30.00
D.3 Procurement and Logistics	7.00	3.00	10.00	20.00	2.00	22.00
D.4 Information and Communication Management	5.00		5.00	8.00		8.00
D.5 Business and Systems Support	5.00		5.00	4.00		4.00
D.6 Direction and Management	2.00		2.00	3.00		3.00
Subtotal	**37.00**	**6.00**	**43.00**	**65.00**	**21.00**	**86.00**
F INDIRECT COSTS						
Subtotal	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
TOTAL (excl. Major Programme E)	**207.00**	**90.00**	**297.00**	**222.00**	**73.00**	**295.00**
E BUILDINGS MANAGEMENT						
E.1 Common Buildings Management	6.00		6.00	102.00		102.00
E.2 Joint Buildings Management				4.00		4.00
TOTAL (Major Programme E)	**6.00**	**0.00**	**6.00**	**106.00**	**0.00**	**106.00**